

# Iran: Politics, Gulf Security, and U.S. Policy

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## Summary

Since the Islamic Revolution in Iran in 1979, a priority of U.S. policy has been primarily to reduce the perceived threat posed by Iran to a broad range of U.S. interests, including the security of the Persian Gulf region. U.S. officials also express a broad range of concerns about Iran's human rights abuses. The implementation of a July 14, 2015, "Joint Comprehensive Plan of Action" (JCPOA) nuclear agreement between Iran and six negotiating powers appeared to represent an opportunity to reduce the long-standing U.S.-Iran enmity and construct a new relationship.

During the 1980s and 1990s, U.S. officials identified Iran's support for militant Middle East groups as the primary threat posed by Iran to U.S. interests and allies. Iran's nuclear program took precedence in U.S. policy after 2002 as the program expanded and the chances that Iran could develop a nuclear weapon increased. In 2010, the United States orchestrated broad international economic pressure on Iran to persuade it to agree to strict limits on the program. The pressure might have contributed to the June 2013 election of the relatively moderate Hassan Rouhani as president of Iran, whose government subsequently negotiated a November 2013 interim nuclear agreement and then the JCPOA. The JCPOA, which began formal implementation on January 16, 2016, exchanged broad sanctions relief for nuclear program limits intended to give the international community confidence that Iran would require at least a year to produce a nuclear weapon if it decided to do so.

President Obama has asserted that the JCPOA has the potential to produce the added benefit of improving U.S.-Iran relations. However, Iran has continued to test ballistic missiles, sought new conventional arms from Russia, maintained support for regional movements and factions such as Syrian President Bashar Al Assad and Lebanese Hezbollah, insisted on additional sanctions relief, arrested additional U.S.-Iran dual nationals, and threatened to close the Strait of Hormuz if Iran is attacked. These actions have prevented any broader rapprochement between Iran and the United States and Iran and the Arab states of the Gulf Cooperation Council (GCC: Saudi Arabia, Kuwait, UAE, Bahrain, Qatar, and Oman). The United States has long-standing and extensive security relationships with the GCC states that enable the United States to maintain about 35,000 military personnel at facilities throughout the Gulf. The United States has held two summit meetings with GCC leaders (May 13-14, 2015, and April 21, 2016) to try to reassure the GCC that Iran's regional influence can and will be contained, even though Iran has more financial resources at its disposal because of sanctions relief. At the meetings, President Obama has reaffirmed all aspects of U.S.-GCC security cooperation, including a commitment to continuing U.S. sales of arms.

Domestically, Rouhani and the JCPOA appear to have broad support, but many Iranians say they also want greater freedoms of expression and assembly. Rouhani's public support was demonstrated by the strong showing of moderate conservative candidates in the elections for the parliament and a key clerical body, which were completed on April 29. The results appear to strengthen Rouhani but might still not render him able to limit hardliner control of the state institutions that curb dissent and free expression. The United States has supported programs to promote civil society in Iran, but successive U.S. administrations have stopped short of adopting policies that specifically seek to overthrow Iran's regime. See also CRS Report R43333, *Iran Nuclear Agreement*, by Kenneth Katzman and Paul K. Kerr; CRS Report RS20871, *Iran Sanctions*, by Kenneth Katzman; and CRS Report R44017, *Iran's Foreign Policy*, by Kenneth Katzman.

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## Political History

Iran is a country of nearly 80 million people, located in the heart of the Persian Gulf region. The United States was an ally of the late Shah of Iran, Mohammad Reza Pahlavi (“the Shah”), who ruled from 1941 until his ouster in February 1979. The Shah assumed the throne when Britain and Russia forced his father, Reza Shah Pahlavi (Reza Shah), from power because of his perceived alignment with Germany in World War II. Reza Shah had assumed power in 1921 when, as an officer in Iran’s only military force, the Cossack Brigade (reflecting Russian influence in Iran in the early 20<sup>th</sup> century), he launched a coup against the government of the Qajar royal family, which had ruled since 1794. Reza Shah was proclaimed Shah in 1925, founding the Pahlavi dynasty. The Qajar dynasty had been in decline for many years before Reza Shah’s takeover. That dynasty’s perceived manipulation by Britain and Russia had been one of the causes of the 1906 constitutionalist movement, which forced the Qajar dynasty to form Iran’s first Majles (parliament) in August 1906 and promulgate a constitution in December 1906. Prior to the Qajars, what is now Iran was the center of several Persian empires and dynasties whose reach had shrunk steadily over time. After the 16<sup>th</sup> century, Iranian empires lost control of Bahrain (1521), Baghdad (1638), the Caucasus (1828), western Afghanistan (1857), Baluchistan (1872), and what is now Turkmenistan (1894). Iran adopted Shiite Islam under the Safavid Dynasty (1500-1722), which ended a series of Turkic and Mongol conquests.

The Shah was anti-Communist, and the United States viewed his government as a bulwark against the expansion of Soviet influence in the Persian Gulf and a counterweight to pro-Soviet Arab regimes and movements. Israel maintained a representative office in Iran during the Shah’s time and the Shah supported a peaceful resolution of the Arab-Israeli dispute. In 1951, under pressure from nationalists in the Majles (parliament) who gained strength in the 1949 Majles elections, he appointed a popular nationalist parliamentarian, Dr. Mohammad Mossadeq, as prime minister. Mossadeq was widely considered left-leaning, and the United States was wary of his drive for nationalization of the oil industry, which had been controlled since 1913 by the Anglo-Persian Oil Company. His followers began an uprising in August 1953 when the Shah tried to dismiss him, and the Shah fled. The Shah was restored to power in a CIA-supported uprising that toppled Mossadeq (“Operation Ajax”) on August 19, 1953.

The Shah tried to modernize Iran and orient it toward the West, but in so doing he alienated religious Iranians and the Shiite clergy. He also allegedly tolerated severe repression and torture of dissidents by his SAVAK intelligence service. The Shah exiled Ayatollah Ruhollah Khomeini in 1964 because of Khomeini’s active opposition to what he asserted were the Shah’s anti-clerical policies and forfeiture of Iran’s sovereignty to the United States. Khomeini fled to and taught in Najaf, Iraq, a major Shiite theological center. In 1978, three years after the March 6, 1975, Algiers Accords between the Shah and Iraq’s Baathist leaders that temporarily ended mutual hostile actions, Iraq expelled Khomeini to France, where he continued to agitate for revolution that would establish Islamic government in Iran. Mass demonstrations and guerrilla activity by pro-Khomeini forces caused the Shah’s government to collapse. Khomeini returned from France on February 1, 1979, and, on February 11, 1979, he declared an Islamic Republic of Iran. Khomeini’s concept of *velayat-e-faqih* (rule by a supreme Islamic jurisprudent, or “Supreme Leader”) was enshrined in the constitution that was adopted in a public referendum in December 1979 (and amended in 1989). The constitution provided for the post of Supreme Leader of the Revolution. The regime based itself on strong opposition to Western influence, and relations between the United States and the Islamic Republic turned openly hostile after the November 4, 1979, seizure of the U.S. Embassy and its U.S. diplomats by pro-Khomeini radicals, which began

the so-called hostage crisis that ended in January 1981 with the release of the hostages.<sup>1</sup> Ayatollah Khomeini died on June 3, 1989, and was succeeded as Supreme Leader by Ayatollah Ali Khamene'i.

The regime faced serious unrest in its first few years, including a June 1981 bombing at the headquarters of the Islamic Republican Party (IRP) and the prime minister's office that killed several senior elected and clerical leaders, including then Prime Minister Javad Bahonar, elected President Ali Raja'i, and IRP head and top Khomeini disciple Ayatollah Mohammad Hussein Beheshti. The regime used these events, along with the hostage crisis with the United States, to justify purging many of the secular, liberal, and left-wing personalities that had been prominent in the years just after the revolution. Examples included the regime's first Prime Minister Mehdi Bazargan; the pro-Moscow Tudeh Party (Communist), the People's Mojahedin Organization of Iran (PMOI, see below), and the first elected president, Abolhassan Bani Sadr. The regime was under economic and military threat during the 1980-1988 Iran-Iraq War, which at times nearly halted Iran's oil exports. Since that war, Iran has not faced severe external military threat but domestic political rifts have continued.

## **U.S.-Iran Relations since the Iranian Revolution**

The February 11, 1979, fall of the Shah of Iran, who was a key U.S. ally, opened a deep and ongoing rift in U.S.-Iranian relations. The Carter Administration sought to engage the Islamic regime, which initially had numerous moderates in senior posts, but this ended after the November 4, 1979, takeover of the U.S. Embassy in Tehran by radical pro-Khomeini "students in the line of the Imam (Khomeini)." The radicals held 66 U.S. diplomats hostage for 444 days, releasing them minutes after President Reagan's inauguration on January 20, 1981. The United States broke relations with Iran on April 7, 1980, two weeks prior to a failed U.S. military attempt to rescue the hostages.

Iran has an interest section in Washington, DC, under the auspices of the Embassy of Pakistan, and staffed by Iranian Americans. The former Iranian Embassy closed in April 1980 when the two countries broke diplomatic relations, and remains under the control of the State Department. Iran's Mission to the United Nations in New York runs most of Iran's diplomacy inside the United States. The U.S. interests section in Tehran, under the auspices of the Embassy of Switzerland, has no American personnel. The former U.S. embassy is now used as a museum commemorating the revolution and as a headquarters for the *Basij*—an internal security force that is controlled by the generally hardline Islamic Revolutionary Guard Corps (IRGC).

- *Reagan Administration.* The Reagan Administration designated Iran a "state sponsor of terrorism" in January 1984, primarily because of Iran's support for Lebanese Hezbollah. The designation reinforced a U.S. "tilt" toward Iraq in the 1980-1988 Iran-Iraq War, which included diplomatic efforts to block conventional arms sales to Iran.<sup>2</sup> During 1987-1988, U.S. naval forces engaged in several skirmishes with Iranian naval elements in the course of U.S. efforts to protect international oil shipments in the Gulf from Iranian mines and other attacks. On April 18, 1988 Iran lost one-quarter of its larger naval ships in an

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<sup>1</sup> The U.S. Embassy hostages are to be compensated for their detention in Iran from proceeds received from various banks to settle allegations of concealing financial transactions on behalf of Iranian clients, under a provision of the FY2016 Consolidated Appropriation (P.L. 114-113).

<sup>2</sup> Elaine Sciolino, *The Outlaw State: Saddam Hussein's Quest for Power and the Gulf Crisis* (New York: John Wiley and Sons, 1991), p. 168.

engagement with the U.S. Navy (“Operation Praying Mantis”), including a frigate sunk. However, the Administration to some extent undermined its efforts to contain Iran by providing some arms to Iran (“TOW” anti-tank weapons and I-Hawk air defense batteries) to entice Iran to compel Hezbollah to release U.S. hostages held in Lebanon. On July 3, 1988, U.S. forces in the Gulf mistakenly shot down Iran Air Flight 655 over the Gulf, killing all 290 on board.

- *George H. W. Bush Administration.* In his January 1989 inaugural speech, President George H.W. Bush stated that “goodwill begets goodwill” with respect to Iran. The comments were interpreted as offering to improve relations with Iran if it helped obtain the release of U.S. hostages in Lebanon. Iran apparently assisted in obtaining their release and all remaining U.S. hostages there were freed by the end of December 1991. However, no U.S.-Iran thaw followed, possibly because Iran continued to back terrorist groups in the Middle East.
- *Clinton Administration.* Shortly after taking office, the Clinton Administration announced a strategy of “dual containment” of Iran and Iraq—attempting to keep both weak rather than alternately tilting to one or the other. In 1995 and 1996, the Clinton Administration and Congress banned U.S. trade and investment with Iran and imposed penalties on investment in Iran’s energy sector (Iran Sanctions Act) primarily in response to Iran’s support for terrorist groups seeking to undermine the Israeli-Palestinian peace process. The election of the moderate Mohammad Khatemi as president in May 1997 precipitated a U.S. offer of direct dialogue without preconditions, but Khatemi ruled out such talks. In June 1998, then-Secretary of State Madeleine Albright called for mutual confidence building measures that could lead to a “road map” for normalization. In a March 17, 2000, speech, she admitted there was past U.S. interference in Iran.
- *George W. Bush Administration.* Despite limited tacit cooperation with Iran on post-Taliban Afghanistan, President George W. Bush identified Iran as a U.S. adversary by including it as part of an “axis of evil” (along with Iraq and North Korea) in his January 2002 State of the Union message. Later that year, Iran’s nuclear program emerged as a major issue for U.S. policy, and President Bush’s January 20, 2005, second inaugural address and his January 31, 2006, State of the Union message stated that the United States would be a close ally of a free and democratic Iran—apparent support for changing Iran’s regime.<sup>3</sup> At the same time, the Administration engaged in dialogue with Iran on stabilizing post-Taliban Afghanistan and later post-Saddam Iraq,<sup>4</sup> but did not publicly offer a dialogue on all issues of mutual concern. The Administration rebuffed a reported May 2003 Iranian overture transmitted by the Swiss Ambassador to Iran—widely termed a “grand bargain” proposal—for a sweeping agreement on major issues of mutual concern.<sup>5</sup> State Department officials disputed that the proposal was fully vetted within Iran’s leadership. The United States aided victims of the December 2003 earthquake in Bam, Iran, including through U.S. military aircraft deliveries directly into Iran.

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<sup>3</sup> Helene Cooper and David Sanger, “Strategy on Iran Stirs New Debate at White House,” *New York Times*, June 16, 2007.

<sup>4</sup> Robin Wright, “U.S. In ‘Useful’ Talks With Iran,” *Los Angeles Times*, May 13, 2003.

<sup>5</sup> [http://www.armscontrol.org/pdf/2003\\_Spring\\_Iran\\_Proposal.pdf](http://www.armscontrol.org/pdf/2003_Spring_Iran_Proposal.pdf).

## **Regime Structure, Stability, and Opposition**

Iran's regime is widely considered authoritarian, although it provides for elected institutions, checks and balances, and diversity of opinion. The perception of authoritarianism is based largely on the powers invested in the position of "Supreme Leader" (known formally in Iran as "Leader of the Revolution"), who is not term-limited and has sweeping powers. The Supreme Leader is chosen by an all-elected body (Assembly of Experts). The President and the Majles (unicameral parliament) are directly elected, and there are elections for municipal councils that, in turn, select mayors. Even within the unelected institutions, factional disputes between those who insist on ideological purity and those considered more pragmatic are evident.

Aside from a 2009-2010 uprising against alleged fraud in the reelection of then President Mahmoud Ahmadinejad, the regime has faced only episodic unrest from minorities, intellectuals, students, labor groups, women, and members of Iran's minority groups. Persians are about 51% of the population of about 75 million, and the major ethnic minorities are Azeris and Kurds. Shiite Muslims are about 90% of the Muslim population and Sunni Muslims are about 10%. About 2% of the population is non-Muslim, including Christians, Zoroastrians (an ancient religion in what is now Iran), Jewish, and Baha'i.





### **Supreme Leader: Grand Ayatollah Ali Khamene'i**

Born in July 1939 to an Azeri (Turkic) family from Mashhad. Was jailed by the Shah of Iran for supporting Ayatollah Khomeini's revolution. After the regime took power in 1979, helped organize Revolutionary Guard and other security organs. Lost some use of right arm in purported assassination attempt in June 1981. Was elected president in 1981 and served until 1989. Was selected Khomeini's successor in June 1989. Upon that selection, Khamene'i religious ranking was advanced in official organs to "Grand Ayatollah" from the lower ranking "Hojjat ol-Islam." Still lacks the undisputed authority to end factional disputes and the public adoration Khomeini had. Has taken more of a day-to-day role since the 2009 uprising, including establishing strict parameters for Iran's nuclear negotiating team. Takes an active role in the affairs of his home province of Khorasan, including by appointing Mashhad Friday prayer leader and, on March 8, 2016, a new head of the large foundation (*bonyad*) linked to the Shrine of the Imam Reza (Astan-e Qods Razavi Organization), which controls provincial assets worth as much as \$95 billion.

#### **Policies**

Throughout career, has consistently taken hardline stances on regional issues, particularly toward Israel, often calling it a cancerous tumor that needs to be excised from the region. In March 2014, publicly questioned whether the Holocaust occurred—an issue highlighted by former president Ahmadinejad. Meets with few Western officials and is avowedly suspicious of relations with the West, particularly the United States, as potentially making Iran vulnerable to Western cultural influence, spying, and possible regime destabilization efforts. In 2016, has accused the United States of not implementing JCPOA-related sanctions relief fully and thereby deterring foreign firms from returning to Iran. Largely bowing to public opinion, Khamene'i acquiesced to the election of the relatively moderate Rouhani, who favors opening to the West. Khamene'i did not oppose the JCPOA, paving the way for its adoption by the *Majles* and the Council of Guardians. Reputedly issued religious proclamation (2003) against Iran acquiring a nuclear weapon, and has publicly (2012) called doing so a "sin," and is widely believed to fear direct military confrontation with United States on Iranian soil. Fully backs efforts by Revolutionary Guard and other Iranian organs to support pro-Iranian movements and governments, including that of Syria. On economic issues, he has tended to support the business community (*bazaaris*), and opposed state control of the economy, but asserts that Iran's economy should be more self-sufficient to withstand the effects of international sanctions ("resistance economy").

#### **Potential Successors**

Khamene'i's office is run by Mohammad Mohammadi Golpayegani, with significant input from Khamene'i's second and increasingly influential son, Mojtaba. Also advised by *Keyhan* editor Hossein Shariatmadari and former Foreign Minister Ali Akbar Velayati.

Khamene'i's health situation is uncertain; the government acknowledged that he underwent prostate surgery in September 2014. There is no clear consensus choice, but likely successors are widely said to include former judiciary chief Ayatollah Mahmoud Shahrudi; Expediency Council Chairman and longtime regime stalwart Ayatollah Ali Akbar Hashemi-Rafsanjani; Judiciary head Ayatollah Sadeq Larijani; and hardline Tehran Friday prayer leader Ayatollah Ahmad Khatemi. The succession chances of another potential candidate, hardline senior cleric Ayatollah Mohammad Taqi Mesbah-Yazdi, were likely reduced by his loss of an Assembly of Experts seat in the February elections. Of the potential successors, only Rafsanjani can legitimately claim to have been a constant presence at Ayatollah Khomeini's side in the revolution that established the Islamic Republic. The Assembly of Experts might choose to use a constitutional provision to set up a three-person leadership council to replace Khamene'i. Rafsanjani broke an unstated taboo in December 2015 by raising the issue of Assembly consideration of potential successors.

Photograph from <http://www.leader.ir>.

## Unelected or Indirectly Elected Institutions: The Supreme Leader, Council of Guardians, and Expediency Council

Iran's power structure consists of unelected or indirectly elected persons and institutions.

### The Supreme Leader

At the apex of the Islamic Republic's power structure is the "Supreme Leader." He is chosen by an elected body—the Assembly of Experts—which also has the constitutional power to remove him, as well as to rewrite Iran's constitution (subject to approval in a national referendum). Upon Ayatollah Khomeini's death, the Assembly selected one of his disciples, Ayatollah Ali Khamene'i, as Supreme Leader.<sup>6</sup> Although he has never had Khomeini's undisputed political or religious authority, the powers of the office ensure that Khamene'i is Iran's paramount leader. Under the constitution, the Supreme Leader is Commander-in-Chief of the armed forces, giving him the power to appoint commanders, and he is directly represented on the highest national security body, the *Supreme National Security Council*, which is composed of top military and civilian security officials. The Supreme Leader can remove an elected president, if the judiciary or the *Majles* (parliament) assert cause for removal. The Supreme Leader appoints half of the 12-member *Council of Guardians*; all members of the *Expediency Council*, and the head of Iran's judiciary.

### Council of Guardians and Expediency Council

The 12-member Council of Guardians (COG) consists of six Islamic jurists appointed by the Supreme Leader, and 6 lawyers selected by the judiciary and confirmed by the *Majles*. Currently headed by Ayatollah Ahmad Jannati, the conservative-controlled body reviews legislation to ensure it conforms to Islamic law. It also vets election candidates by evaluating their backgrounds according to constitutional requirements that each candidate demonstrate knowledge of Islam, loyalty to the Islamic system of government, and other criteria that are largely subjective. The COG also certifies election results.

The 42-member "Expediency Council" was established in 1988 to resolve legislative disagreements between the *Majles* and the COG. It has since evolved into a policy advisory body for the Supreme Leader and an overseer of the performance of the president and his cabinet. Its members serve five-year terms; its chairman, Ali Akbar Hashemi-Rafsanjani, was reappointed in February 2007 and again in March 2012. The Expediency Council's executive officer is former Revolutionary Guard commander-in-chief Mohsen Reza'i.

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<sup>6</sup> At the time of his selection as Supreme Leader, Khamene'i was generally referred to at the rank of Hojjat ol-Islam, one rank below Ayatollah, suggesting his religious elevation was political rather than through traditional mechanisms.

**Table 1. Major Factions, Personalities, and Interest Groups**

Supreme Leader Ali Khamene'i	See box above.
President Hassan Rouhani	See box below.
Expediency Council Chair Ayatollah Ali Akbar Hashemi-Rafsanjani	Born in 1934, a longtime key regime strategist, Khomeini disciple, and advocate of “grand bargain” to resolve all outstanding issues with United States. Was Majles speaker during 1981-1989 and president 1989-1997. Family owns large share of Iran’s total pistachio production. Ouster as Assembly of Experts chairman in 2011 widely attributed to his tacit support of popular opposition to Ahmadinejad 2009 reelection and to the political activities of his children. Daughter Faizah was jailed in September 2012 for participating in the 2009 protests, and five other family members were arrested in 2009 and 2010 on similar charges. That perception undoubtedly contributed to COG denying his candidacy in 2013 presidential elections. But, election of key ally, Rouhani, as president in 2013 revived Rafsanjani’s influence. Rafsanjani was strengthened by the strong performance of moderate candidates in the 2016 <i>Majles</i> and <i>Assembly of Experts</i> elections.
Senior Shiite Clerics	The most senior clerics, most of whom are in Qom, including several Grand Ayatollahs, are generally “quietist”—they believe that the senior clergy should refrain from direct involvement in politics. These include Grand Ayatollah Nasser Makarem Shirazi, Grand Ayatollah Abdol Karim Musavi-Ardabili, and Grand Ayatollah Yusuf Sanei, all of whom criticized the regime’s crackdown against oppositionists during the 2009 uprising. Others believe in political involvement, including Ayatollah Mohammad Taqi Mesbah-Yazdi, the founder of the hardline Haqqani school and erstwhile spiritual mentor to Ahmadinejad and an assertive defender of the powers of the Supreme Leader. Mesbah-Yazdi’s influence is likely to decline because he lost his Assembly of Experts seat in February 2016 elections.
Religious Foundations (“Bonyads”)	Iran has several major religious foundations, called “ <i>bonyads</i> .” Examples include the Martyr’s Foundation, the Foundation for the Oppressed and Disabled, the Astan Qods Razavi Foundation (linked to the Shrine of Imam Reza in Mashhad), and the Fifteen Khordad Foundation (which offers a bounty for the killing of author Salman Rushdie). The bonyads, controlled by clerics and their allies, control vast amounts of property and valuable businesses, some of which were built from abandoned assets left behind when the Shah and his allies fled Iran in 1979. The bonyads are loosely regulated and largely exempt from taxation.
The Islamic Revolutionary Guard Corps (IRGC)	The IRGC is not only a military organization, but an internal security force and an instrument of Iran’s regional policy. The IRGC is discussed throughout this paper and other CRS reports on Iran. The IRGC is able to generate profits from its business affiliates, which enjoy vast tax and regulatory benefits, and can spend significant amounts of unbudgeted funds on arms, technology, and support to pro-Iranian movements.
Society of Militant Clerics	Longtime organization of moderate-to-hardline clerics. President Rouhani is a member of this group.
Reformist and Green Movement Leaders: Mir Hossein Musavi/Mohammad Khatemi/Mehdi Karrubi	<p>Mir Hossein Musavi is the titular leader of the Green movement, the coalition of youth and intellectuals that led the 2009-2010 uprising that protested the allegedly fraudulent reelection of then President Mahmoud Ahmadinejad. A non-cleric and architect by training, born in 1942, Musavi was a Khomeini aide and served as foreign minister (1980), then prime minister (1981-1989). An advocate of state control of the economy, as prime minister, Musavi often feuded with Khamene'i, who was then president and was aligned with the merchant community. Musavi's post was abolished in the 1989 revision of the constitution. Musavi supports political and social freedoms and reducing Iran's international isolation, continues to back state intervention in the economy to benefit workers and lower classes. Appeared at some of the 2009 protests, was sometimes harassed by security agents, but some opposition leaders resented his statements supporting reconciliation with the regime.</p> <p>Musavi and his wife, prominent activist Zahra Rahnevard, along with fellow Green Movement leader and 2009 presidential candidate Mehdi Karrubi, were placed in</p>

	<p>detention in mid-2011. In 2014, Karrubi was allowed to return to his home, although still under the control of regime guards. Musavi remains in detention. Karrubi was Speaker of the <i>Majles</i> during 1989-1992 and 2000-2004.</p> <p>Mohammad Khatemi was elected president on a reformist platform in May 1997, with 69% of the vote and reelected in June 2001 with 77%. Rode wave of sentiment for easing social and political restrictions, but these groups became disillusioned with Khatemi's failure to buck hardliners on reform issues. He was largely marginalized by the time his presidency ended in 2005. Khatemi endorsed Musavi in the 2009 election and, subsequently, has had his travel restricted and Iranian media have been barred from discussing him. Khatemi reportedly helped organizing reformists and other pro-Rouhani candidates in the 2016 <i>Majles</i> elections, and Rouhani has sought to end the media ban on Khatemi.</p>
Student Groups	Groups composed of well-educated, Westernized urban youth have been the backbone of the Green Movement. The Office of Consolidation of Unity is the student group that led the 1999 riots but which later became controlled by regime loyalists. An offshoot, the Confederation of Iranian Students (CIS), led by U.S.-based Amir Abbas Fakhraei, believes in regime replacement and in 2013 formed a "National Iran Congress" to advocate that outcome. Co-founder Arzhang Davoodi has been in prison since 2002 and in July 2014 was sentenced to death.
Islamic Iran Participation Front (IIPF)	The most prominent and best organized pro-reform grouping, but in 2009 lost political ground to Green Movement groups. IIPF leaders include Khatemi's brother, Mohammad Reza Khatemi (deputy speaker in the 2000-2004 <i>Majles</i> ) and Mohsen Mirdamadi. Backed Musavi in June 2009 election, and several IIPF leaders detained and prosecuted in postelection dispute. The party was outlawed in September 2010.
Mojahedin of the Islamic Revolution Organization (MIR)	Composed mainly of left-leaning Iranian figures who support state control of the economy, but want greater political pluralism and relaxation of rules on social behavior. A major constituency of the reformist camp. Its leader is former Heavy Industries Minister Behzad Nabavi, who supported Musavi in 2009 election and has been incarcerated for most of the time since June 2009. The organization was outlawed by the regime simultaneously with the outlawing of the IIPF, above.
Combatant Clerics Association	The group was formed in 1988 and its name is similar to the Society of Militant Clerics, above, but the group is run by reformists. Leading figures include Mohammad Khatemi, former Interior Minister Ali Akbar Mohtashemi-Pur, and former Prosecutor General Ali Asgar Musavi-Koiniha.
Other Prominent Dissidents	Other leading dissidents, some in Iran, others in exile (including in the United States), have been criticizing the regime for decades. Journalist Akbar Ganji served six years in prison for alleging high-level involvement in 1999 murders of Iranian dissident intellectuals. Religion scholar Abdol Karim Soroush left Iran in 2001 after challenging the doctrine of clerical rule. Former Revolutionary Guard organizer Mohsen Sazegara broadcasts on-line to Iran from his base in the United States. Nobel Peace Prize laureate (2003) and Iran human rights activist lawyer Shirin Abadi, who for many years represented clients persecuted or prosecuted by the regime, left Iran after the 2009 uprising. Other significant dissidents in exile include former Culture Minister Ataollah Mohajerani, Mohsen Kadivar, and U.S.-based Fatemeh Haghighatgoo. Some well-known dissidents have been incarcerated periodically or continuously since 2010, including filmmaker Jafar Panahi and famed blogger Hossein Derakshan, and journalist Abdolreza Tajik. The elderly leader of the Iran Freedom Movement leader, Ibrahim Yazdi, was released from prison in April 2011 after resigning as the movement's leader. Human rights lawyer Nasrin Sotoudeh was released from prison in September 2013. In May 2015, the regime arrested Ms. Narges Mohammad, a well-known activist against regime executions.
Monarchists/Shah's Son	Some Iranians outside Iran, including in the United States, want to replace the regime with a constitutional monarchy led by Reza Pahlavi, the U.S.-based son of the late former Shah and a U.S.-trained combat pilot. The Shah's son, who was born in 1960, has delivered statements condemning the regime for the post-2009 election crackdown and he has

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	<p>called for international governments to withdraw their representation from Tehran. He appears periodically in broadcasts into Iran by Iranian exile-run stations in California,<sup>7</sup> as well as in other Iran-oriented media.</p> <p>Pahlavi has always had some support particularly in the older generation in Iran, but he has tried to broaden his following by denying that he seeks a restoration of a monarchy. Since March 2011, he has been increasingly cooperating with—and possibly attempting to co-opt—younger leaders in a “National Council of Iran” (NCI), which was established along with over 30 other groups in April 2013. The Council drafted democratic principles for a post-Islamic republic Iran but has since suffered defections and its activity level declined.</p>
Leftist Groups	Some oppositionists who support left-wing ideologies support the People’s Mojahedin Organization of Iran (PMOI). See text box at the end of this report.
Sunni Armed Opposition: Jundullah	<i>Jundullah</i> is composed of Sunni Muslims primarily from the Baluchistan region bordering Pakistan. The region is inhabited by members of the Baluch minority and is far less developed than other parts of Iran. On the grounds that <i>Jundullah</i> has attacked civilians in the course of violent attacks in Iran, the State Department formally named it an FTO on November 4, 2010. <i>Jundullah</i> has conducted several attacks on Iranian security and civilian officials, including a May 2009 bombing of a mosque in Zahedan and the October 2009 killing of five IRGC commanders in Sistan va Baluchistan Province. The regime claimed a victory against the group in February 2010 with the capture of its top leader, Abdolmalek Rigi. The regime executed him in June 2010, but the group retaliated in July 2010 with a Zahedan bombing that killed 28 persons, including some IRGC personnel. The group was responsible for a December 15, 2010, bombing at a mosque in Chahbahar, also in Baluchistan, that killed 38.
Kurdish Armed Groups	One armed Kurdish group operating out of Iraq is the Free Life Party, known by its acronym PJAK. Its leader is believed to be Abdul Rahman Hajji Ahmadi, born in 1941, who is a citizen of Germany and lives in that country. Many PJAK fighters reportedly are women. PJAK was designated by the Department of the Treasury in early February 2009 as a terrorism supporting entity under Executive Order 13224, although the designation statement indicated the decision was based mainly on PJAK’s association with the Turkish Kurdish opposition group Kongra Gel, also known as the PKK. Five Kurds executed by Iran’s regime in May 2010 were alleged members of PJAK. In July 2016, the Kurdistan Democratic Party of Iran (KDP-I) announced a resumption of “armed struggle” against the regime, which had been suspended for 25 years, following clashes with the IRGC that left several dead on both sides. KDP-I fighters involved in the clashes reportedly had entered Iran from Kurdish-controlled territory in Iraq.
Arab Oppositionists/Ahwazi Arabs	Another militant group, the <i>Ahwazi Arabs</i> , operates in the largely Arab-inhabited areas of southwest Iran. Relatively inactive over the past few years, and the regime continues to execute captured members of the organization.

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**Sources:** Various press accounts and author conversations with Iran experts in and outside Washington, DC.

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<sup>7</sup> Ron Kampeas, “Iran’s Crown Prince Plots Nonviolent Insurrection from Suburban Washington,” *Associated Press*, August 26, 2002.

## **Elected Institutions/Recent Elections**

Several major institutional positions are directly elected by the population, but U.S. and other international observers question the credibility of Iran's elections because of the role of the COG in vetting candidates and limiting the number and ideological diversity of the candidate field. Women can vote and run for most offices, but the COG interprets the Iranian constitution as prohibiting women from running for the office of president. Presidential candidates must receive more than 50% of the vote to avoid a runoff which, if needed, is held several weeks later.

Another criticism of the political process in Iran is the relative absence of political parties; establishing a party requires the permission of the Interior Ministry under Article 10 of Iran's constitution. The standards to obtain approval are high: to date, numerous parties have filed for permission since the regime was founded, but only those considered loyal to the regime have been granted license to operate. Some have been licensed and then subsequently banned when their leaders opposed those in power in the regime, such as the two reformist parties Islamic Iran Participation Front and Organization of Mojahedin of the Islamic Revolution (outlawed in September 2010).

## **The Presidency**

The main directly elected institution is the presidency, which is formally and in practice subordinate to the Supreme Leader. Virtually every successive president has tried and failed to expand his authority relative to the Supreme Leader. Presidential authority, particularly on matters of national security, is also often circumscribed by key clerics and the generally hardline military and security organization called the Islamic Revolutionary Guard Corps (IRGC). But, the presidency provides opportunities for a president to reward loyalists and expand his political base.

The president appoints and supervises the cabinet, develops the budgets of cabinet departments, and imposes and collects taxes on corporations and other bodies. The presidency also runs oversight bodies such as the Anticorruption Headquarters and the General Inspection Organization, to which all government officials are formally required to submit annual financial statements.

Prior to 1989, Iran had both an elected president and a prime minister selected by the elected *Majles* (parliament). However, the holders of the two positions were constantly in institutional conflict and a 1989 constitutional revision eliminated the prime ministership. Because Iran's presidents have sometimes asserted the powers of their institution against the office of the Supreme Leader itself, in October 2011, Khamene'i raised the possibility of eliminating the post of president and restoring the post of prime minister. The prime minister would be selected by the elected *Majles* rather than being directly elected by the population, and presumably would not be as independent of the Supreme Leader as is the existing presidency. No action has been taken on that Khamene'i statement, to date.

## **The Majles**

Iran's *Majles*, or parliament, is a 290-seat unicameral body. It is all elected, but there are five "reserved seats" for the "recognized" minority communities of Jews, Zoroastrians, and Christians (three of the five). The *Majles* confirms cabinet selections and drafts and acts on legislation. Among its main duties is to consider and enact a proposed national budget, actions that typically take place in advance of the Persian New Year (Nowruz) each March 21. It actively legislates on domestic economic and social issues, but it tends to defer to the presidency and security institutions on defense and foreign policy issues. It is constitutionally required to ratify major



international agreements, and it ratified the JCPOA in October 2015. The ratification was affirmed by the CoG. The *Majles* has always been highly factionalized, but all factions tend to defer immediately to the authority of the Supreme Leader. Women regularly run and win election, but there is no “quota” for the number of women to be elected and their membership in the *Majles* has always been small. *Majles* elections occur one year prior to the presidential elections; the latest were held on February 26, 2016 (and a runoff on April 29), as discussed further below.

### **The Assembly of Experts**

A major but little publicized elected institution is the 88-seat *Assembly of Experts*. Akin to a standing electoral college, it is empowered to choose a new Supreme Leader upon the death of the incumbent, and it formally “oversees” the work of the Supreme Leader. The Assembly can replace him if necessary, although invoking that power would, in practice, most likely occur in the event of a severe health crisis. The Assembly is also empowered to amend the constitution. It generally meets two times a year.

Elections to the Assembly elections are held every 8 – 10 years (some variation in the term), conducted on a provincial basis. The fourth election for the Assembly was held on December 15, 2006; after that election, Rafsanjani was named deputy chairman of the Assembly. He became its chairman in September 2007, following the death of then leader Ayatollah Meshkini. Rafsanjani’s opposition to the crackdown on the 2009 uprising ran him afoul of the Supreme Leader and he was replaced as chair of the body in March 2011 by the aging and infirm compromise candidate Ayatollah Mohammad Reza Mahdavi-Kani. He died in October 2014 and was replaced on an interim basis by deputy Chairman Mahmoud Shahrudi, a former chief of the judiciary, and later on a permanent basis by the 83-year-old Mohammad Yazdi (as of March 2015). Yazdi lost his seat in the Assembly of Experts election on February 26, 2016 (concurrent with the *Majles* elections), and COG Chairman Ayatollah Ahmad Jannati was selected the new Assembly chairman in May 2016, serving in the two posts concurrently. This Assembly might be the one that chooses Khamene’i’s successor, given his advanced age. In December 2015, Rafsanjani raised the succession issue publicly by stating that the Assembly had formed a committee to evaluate the backgrounds of potential successors and develop a list of possible choices.<sup>8</sup>

### **Elections since 1989 and Their Implications**

Rafsanjani served as president during 1989-1997, elected soon after Ayatollah Khomeini’s death in June of 1989. Rafsanjani was succeeded by the reformist Mohammad Khatemi, who won landslide victories in the elections of 1997 and 2001. With support from Khamene’i, hardliners marginalized Khatemi and regained political predominance. Conservatives won 155 out of the 290 *Majles* seats in the February 20, 2004, *Majles* elections, in large part because the COG disallowed 3,600 reformist candidates.

*2005 Presidential Election.* The COG narrowed the field for the June 2005 presidential elections to eight candidates (out of the 1,014 persons who filed to run). The major candidates were Rafsanjani,<sup>9</sup> Ali Larijani, Mohammad Baqer Qalibaf, and Tehran mayor Mahmoud Ahmadinejad. With 21% and 19.5%, respectively, Rafsanjani and Ahmadinejad, who apparently had the tacit backing of Khamene’i, moved to a runoff on June 24, which Ahmadinejad won 62% to 36%.

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<sup>8</sup> The Guardian, December 13, 2015. <http://www.theguardian.com/world/2015/dec/14/rafsanjani-breaks-taboo-over-selection-of-irans-next-supreme-leader>.

<sup>9</sup> Rafsanjani was constitutionally permitted to run because a third term would not have been consecutive with his previous two terms. In the 2001 presidential election, the Council permitted 10 out of the 814 registered candidates.

During Ahmadinejad's first term, which began in August 2005, splits widened between Ahmadinejad and other conservatives. In the March 2008 Majles elections, some conservatives banded together in an anti-Ahmadinejad bloc.

*Disputed 2009 Election.* Reformists saw this conservative split as an opportunity to unseat Ahmadinejad in the June 12, 2009, presidential election and rallied behind Mir Hossein Musavi, who served as prime minister during the 1980-1988 Iran-Iraq War. The COG also allowed the candidacies of reformist Mehdi Karrubi and former IRGC Commander Mohsen Reza'i. Musavi's young, urban supporters used social media to organize large rallies in Tehran, but pro-Ahmadinejad rallies were large as well. Turnout was about 85%. The Interior Ministry announced only two hours after the polls closed that Ahmadinejad had won—contrary to tradition in which results are announced a day later. The vote totals, released June 13, showed Ahmadinejad receiving about 25 million votes (63%), Musavi with about 13 million, and under 1 million each for Reza'i and Karrubi. Musavi supporters immediately began protesting, citing the infeasibility of counting votes so quickly. Some outside analysts said the results tracked preelection polls.<sup>10</sup> Large public demonstrations occurred June 13-19, 2009, largely in Tehran but also in other cities. Security forces killed over 100 protesters (opposition figure—Iran government figure was 27), including a 19-year-old woman, Neda Soltani, who subsequently became an icon of the uprising.

The opposition congealed into the "Green Movement of Hope and Change." Some protests in December 2009 overwhelmed regime security forces in some parts of Tehran, but the movement's activity declined after its demonstration planned for the February 11, 2010, anniversary of the founding of the Islamic Republic was suppressed. Minor protests were held on several subsequent occasions in 2010. As the unrest ebbed, Ahmadinejad promoted his loyalists and a nationalist version of Islam that limits clerical authority, bringing him conflict with Supreme Leader Khamene'i. Amid that rift, the March 2, 2012, Majles elections attracted only 5,400 candidacies—33% fewer than the previous Majles elections. Only 10% of them were women. The COG issued a final candidate list of 3,400 for the 290 seats up for election. Two blocs of candidates supported by Khamene'i won about 75% of the seats, weakening Ahmadinejad.

### ***June 14, 2013, Presidential Election***

The last presidential election was held on June 14, 2013, held concurrently with municipal elections. The major candidates included:

- Four figures close to the Supreme Leader—Tehran mayor Qalibaf, former *Majles* Speaker Gholam Haddad Adel, former foreign minister and top Khamene'i foreign policy advisor Velayati, former IRGC Commander-in-Chief and Expediency Council Secretary-General Mohsen Reza'i and then-chief nuclear negotiator Seyed Jalilli. Haddad Adel dropped out before the vote.
- Former chief nuclear negotiator Hassan Rouhani, a moderate and Rafsanjani ally.
- The COG disapproved Rafsanjani's candidacy—a disqualification that shocked many Iranians because of Rafsanjani's prominent place in the history of the regime. The candidacy of Ahmadinejad ally, Mashai, also was denied.

Green Movement supporters, who were expected to boycott the vote, mobilized behind Rouhani as the perception took hold that the regime was committed to avoiding another election-related

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<sup>10</sup> A paper published by Chatham House and the University of St. Andrews strongly questions how Ahmadinejad's vote could have been as large as reported by official results, in light of past voting patterns throughout Iran. "Preliminary Analysis of the Voting Figures in Iran's 2009 Presidential Election." <http://www.chathamhouse.org.uk>.



uprising. This vote propelled a 70% turnout and a first-round victory for Rouhani, garnering about 50.7% of the 36 million votes cast. Rouhani was sworn in on August 4, 2013, and nominated a cabinet that same day that appeared to reflect a commitment to appoint competent officials rather than political loyalists. The *Majles* approved all but three of his choices. The most significant appointees included the following:

- **Foreign Minister:** Mohammad Javad Zarif, the former Ambassador to the United Nations in New York. Rouhani assigned Zarif to serve concurrently as chief nuclear negotiator, a post traditionally held by the chairman of the Supreme National Security Council. In September 2013, Rouhani appointed senior IRGC leader and former Defense Minister Ali Shamkhani as head of that body; Shamkhani has held more moderate positions than his IRGC peers.
- **Oil Minister:** Bijan Zanganeh, who served in the same post during the Khatemi presidency and attracted significant foreign investment to the sector. He replaced Rostam Qasemi, who was associated with the corporate arm of the IRGC. Zanganeh has rehired and recruited many oil industry technocrats.
- **Defense Minister:** Hosein Dehghan. An IRGC stalwart, he was an early organizer of the IRGC unit in Lebanon that helped form Hezbollah and later became the IRGC-Qods Force. He later was IRGC Air Force commander and deputy Defense Minister.
- **Justice Minister:** Mostafa Pour-Mohammadi, a controversial minister because, as deputy Intelligence Minister in late 1980s, he was implicated in a 1988 massacre of Iranian prisoners. He was Interior Minister under Ahmadinejad.

### **February 26, 2016, Majles and Assembly of Experts Elections**

On February 26, 2016, Iran held concurrent elections for the *Majles* and for the Assembly of Experts. A runoff round for 68 *Majles* seats was held on April 29.

-For the *Majles*: the Interior Ministry and Council of Guardians approved 6,200 candidates to compete for the 290 seats, including 586 female candidates. The oversight bodies invalidated the candidacies of about 6,000 who had applied to run, including all but 100 candidates who identify as “reformists.” Former President Khatemi and another leading reformist, Mohammad Reza Aref, organized reformist groups in support of an apparently successful strategy of supporting pro-Rouhani candidates for the *Majles*. Rouhani publicly criticized the COG vetting process that excluded so many reformist candidates, but Supreme Leader Khamene’i deemed the process fair. The election sharply reduced the number of hardliners in the *Majles*, and pro-Rouhani candidates hold as many as 140 seats, close to a majority. Independents, whose alignments might vary by issue, will control about 50 seats. Among the winners were 18 women—the largest female contingent in the body since the Islamic Revolution. The new *Majles*, which convened on May 27, 2016, continued Ali Larijani as its Speaker.

-For the Assembly of Experts: to be approved a candidate must be able to interpret Islamic law—a requirement that gives the COG wide latitude to determine who can run. For the election, 161 candidates were approved, out of 800 that filed to run. Reformists and their pro-Rouhani allies succeeded in defeating for an Assembly seat at least two prominent hardliners—current Assembly Chairman Mohammad Yazdi and Ayatollah Mohammad Taqi Mesbah-Yazdi. COG head Ayatollah Jannati retained his seat, but came in last for the 30 seats elected from Tehran Province. He was subsequently named Chairman of the Assembly of Experts.

**Sources:** CRS, Thomas Erdbrink, “Aiming for a Comeback, Iran’s Reform Advocates Set Small Election Goals.” *New York Times*, February 22, 2016. See also: CRS Insight IN10457, *Implications of Iranian Elections*, by Kenneth Katzman.

### ***Rouhani Presidency***

Rouhani's presidency has, to date, focused mainly on negotiating and institutionalizing the JCPOA, on economic reform, and on rebuilding Iran's international and regional economic ties. He has not sought to change Iran's security policies and has succeeded only marginally in changing domestic social policy and easing restrictions on freedom of expression. Hardliners who criticized Iranian concessions in the JCPOA were unable to persuade Khamene'i, the *Majles*, or the COG to block the accord. The JCPOA and resulting sanctions relief undoubtedly benefitted pro-Rouhani candidates in the *Majles* elections and might improve Rouhani's chances for reelection 2017.

And, Khamene'i's speech marking Persian New Year on March 21, 2016, which advocated building the "resistance economy," was widely interpreted as contradicting Rouhani's emphasis on expanding trade relations with developed world. Citing Khamene'i's repeated warnings about the potential for "Western infiltration," hardliners also have slowed Rouhani's moves toward a more open and tolerant society. As part of this power struggle, the judiciary and security institutions, which are controlled by hardliners, have continued to arrest and prosecute U.S.-Iran dual nationals and other dual nationals for alleged efforts to undermine the regime. The most prominent of the security institutions are the Ministry of Intelligence and Security (MOIS), the IRGC, the Basij organization of the IRGC, and the Law Enforcement Forces (riot police, regular police, and gendarmerie). In late 2013, Rouhani apparently prevailed on the judiciary to release nearly 80 political prisoners incarcerated for involvement in the uprising, including prominent human rights lawyer Nasrin Sotoudeh. But, neither of the two main titular Green Movement leaders, Mousavi and Karrubi, who were detained in early 2011, have been released, although in 2014 Karrubi was moved from a detention facility to house arrest.

As of February 2016, Rouhani has sought to end the hardliner-imposed media ban on discussing reformist former President Khatemi. In March 2016, an Iranian court sentenced an Iranian billionaire, Babak Zanjani, for alleged corruption. Zanjani, who purportedly helped the regime export some oil illicitly in avoidance of international sanctions, was arrested shortly after Rouhani took office. The sentence appeared to represent a success in Rouhani's stated anti-corruption policy, even though Zanjani's activities at the time they were conducted appeared to have the backing of then-President Ahmadinejad.



**Hojjat ol-Islam:  
Dr. Hassan Rouhani**

Hassan Rouhani is a Hojjat ol-Islam, one rank below Ayatollah. He was born in 1948. He holds a Ph.D. in law from Glasgow Caledonian University in Scotland. Rouhani is a long-time regime stalwart who was part of Ayatollah Khomeini's circle prior to the triumph of the Islamic revolution. He is also an associate and protégé of Rafsanjani, and Rouhani's pragmatic policy approach on issues such as the nuclear issue and relations with the United States approximates Rafsanjani's views. Rouhani's closeness to Rafsanjani potentially complicates Rouhani's relations with Khamene'i, but there is no evidence of direct Rouhani-Khamene'i tension to date.

**Career Background**

Often nicknamed the "diplomat sheikh," Rouhani was chief nuclear negotiator during 2003-2005, when Iran did agree to suspend uranium enrichment. He is believed amenable to a nuclear deal with the international community that would reduce international sanctions but not necessarily preclude any options for Iran's nuclear program over the longer term. He also campaigned on a platform of easing the Islamic Republic's social restrictions and its suppression of free expression. That platform helped Rouhani draw support from the Green movement and other reformists to win his election. On the other hand, some accounts suggest that he supported the crackdown against an earlier student uprising in July 1999, during the presidency of reformist figure Mohammad Khatemi.

Rouhani is a longtime member of the political establishment. Then President Rafsanjani appointed him a member of the Supreme National Security Council in 1989, and he remains on that body. He has been a member of the Assembly of Experts since 1999 (and reelected to that body in the February 2016 election), and was a member of the *Majles* during 1980-2000, serving twice as deputy speaker. He has also been a member of the Expediency Council since 1991. He headed the Center for Strategic Studies, a foreign policy think tank that has advised the Expediency Council and the Supreme Leader, since 1992.

Photograph from <http://www.rouhani.ir>.

## Human Rights Practices

International criticism of Iran's human rights practices predates the crackdown against the 2009 uprising. **Table 2**, which discusses the regime's record on a number of human rights issues, is based on the latest State Department human rights report (for 2015)<sup>11</sup> and on reports from a U.N. Special Rapporteur, Ahmad Shaheed. These reports cite Iran for a wide range of serious abuses—aside from its suppression of political opposition—including escalating use of capital punishment for crimes that are not considered the most serious, denial of fair public trial, harsh and life-threatening conditions in prison, and unlawful detention and torture. The Special Rapporteur has noted—including in his most recent report of March 10, 2016—that the 2013 revisions to the Islamic Penal Code and the 2015 revisions to the Criminal Procedure Code made some reforms, including eliminating death sentences for children convicted of drug-related offenses and

<sup>11</sup> Much of the information in this section comes from the State Department human rights report for 2015: <http://www.state.gov/documents/organization/253135.pdf>.

protecting the rights of the accused. The Rapporteur also has credited Rouhani with a September 2013 proposal for a new “charter for citizen’s rights.”

The Special Rapporteur received his mandate on March 24, 2011, when the U.N. Human Rights Council voted, 22 to 7, to re-establish that position after a four-year review of Iran’s human rights record. A previous Special Rapporteur mission on Iran existed during 1988-2002. Former Maldives Foreign Minister Ahmad Shaheed was appointed to this role in June 2011. The U.N. Human Rights Council has renewed the mandate of the Special Rapporteur each year since, most recently on March 23, 2016, by a vote of 20 for, 15 countries against, and 11 abstaining.

Iran has been censured for refusing permission for the Special Rapporteur to conduct fact-finding visits to Iran. In December 2011, the U.N. General Assembly approved a resolution insisting that Iran cooperate with the efforts of the Special Rapporteur, by a vote of 89-30 with 64 abstentions. Iran continues to refuse entry, although it does respond to some of the Special Rapporteur’s inquiries through “special procedures” agreed with Iran. Despite the criticism of its human rights record, on April 29, 2010, Iran acceded to the U.N. Commission on the Status of Women, after dropping an attempt to sit on the higher-profile Human Rights Council. It also has a seat on the boards of the U.N. Development Program (UNDP) and UNICEF. Iran’s U.N. dues are about \$9 million per year.

Iran has an official body, the High Council for Human Rights, headed by former Foreign Minister Mohammad Javad Larijani (brother of the Majles speaker and the judiciary head). However, it generally defends the government’s actions to outside bodies rather than encouraging improvement of human rights practices.

As part of its efforts to try to compel Iran to improve its human rights practices, the United States has imposed sanctions on Iranian officials alleged to have committed human rights abuses, and on firms that help Iranian authorities censor or monitor the Internet. Human rights-related sanctions are analyzed in significant detail in CRS Report RS20871, *Iran Sanctions*, by Kenneth Katzman. In April 2014, the European Parliament passed a resolution calling on European Union (EU) diplomats to raise Iran’s human rights record at official engagements.

**Table 2. Human Rights Practices: General Categories**

Regime Practice/Recent Developments	
Issues	
Media Freedoms	The Ministry of Culture and Islamic Guidance monitors journalists reporting from Iran as well as media and communications operations. It continues to block pro-reform websites and blogs and close newspapers critical of the government, but some editors say that the government has become more tolerant of critical media since Rouhani took office. The Majles investigated the November 2012 death in custody of blogger Sattar Beheshti; seven security officers were arrested and the Tehran “Cyber Police” commander was removed for the incident. Iran is setting up a national network that would have a monopoly on Internet service for Iranians.
Labor Restrictions	Independent unions are legal but not allowed in practice. The sole authorized national labor organization is a state-controlled “Workers’ House” umbrella. In 2014, Iran ratified an additional International Labour Organization convention. A bus drivers’ union leader, Mansur Osanloo, was jailed from 2007 until 2011.
Women’s Rights	Women can vote and run for office but female candidates for President have always been barred from running by the Council of Guardians. They can and have served in cabinet and vice presidential positions but cannot serve as judges. Women are permitted to drive and work outside the home without restriction, including owning their own businesses, although less than 20% of the workforce is female. Women are required to be covered in public, generally with a garment called a <i>chador</i> , but enforcement has relaxed somewhat since Rouhani took office. Women do not have inheritance or divorce rights equal to that of men, and their court

	testimony carries half the weight of a male's. Laws against rape are not enforced effectively. The law permits a man to have up to four wives as well as "temporary wives" – an arrangement reached after a religious ceremony and civil contract outlining the relationship's conditions. In September 2014, an Iranian-British woman was jailed briefly for attending a volleyball match.
Religious Freedom	Government restrictions on religious freedom for some non-Shiite groups in Iran have been noted consistently in State Department International Religious Freedom reports, including the report for 2014. Each year since 1999, the Secretary of State has designated Iran as a "Country of Particular Concern" under the International Religious Freedom Act (IRFA). No sanctions have been added under IRFA, on the grounds that Iran is already subject to extensive U.S. sanctions. Iran's penal code provides the death penalty for <i>moharebeh</i> (enmity against God) and <i>sabb al-nabi</i> (insulting the prophets), crimes that critics say are subjective and selectively applied to opponents of the regime.
Executions Policy	Human rights observer groups say the government has increased executions since Rouhani took office. Iran is a party to the International Covenant on Civil and Political Rights and the Convention on the Rights of the Child, and is obligated to cease the executions of minors.
Human Trafficking	Since 2005, State Department "Trafficking in Persons" reports (including the report for 2016, issued in June 2016 ) have placed Iran in Tier 3 (worst level) for failing to take significant action to prevent trafficking in persons. Iranian women, boys, and girls are trafficked for sexual exploitation in Iran as well as to Pakistan, the Persian Gulf, and Europe.
Stonings	In 2002, the head of Iran's judiciary issued a ban on stoning. However, Iranian officials later called that directive "advisory," thus putting stoning sentences at the discretion of individual judges.
Detentions of U.S. Nationals and Dual Nationals	<p>Iran does not recognize any dual nationality. Iranian-American academic Haleh Esfandiari was imprisoned for several months in 2007 for allegations that her employer, the Woodrow Wilson Center, was involved in democracy promotion efforts in Iran. Iranian-American journalist Roxanna Saberi was imprisoned for five months in 2009 for expired press credentials. Three American hikers (Sara Shourd, Shane Bauer, and Josh Fattal) were arrested in August 2009 after crossing into Iran from a hike in northern Iraq. They were released in 2010 and 2011 in releases brokered by Oman.</p> <p>On January 16, 2016, in concert with "Implementation Day" of the JCPOA (see below), the following were released by Iran: former U.S. Marine Amir Hekmati, who was arrested in 2011 for spying for the United States; Reverend Saeed Abedini, a Christian convert of Iranian origin imprisoned since December 2012, for "undermining national security" for setting up orphanages in Iran in partnership with Iranian Christians; <i>Washington Post</i> Tehran correspondent Jason Rezaian, who was detained in July 2014 along with his wife, an Iranian national, who was released in October 2014; Nosratollah "Fred" Khosravi-Roodsari, whose case was little known and who remained in Iran; and U.S. citizen Matthew Trevithick, a language student arrested in 2015. In exchange, the United States released seven Iranian-Americans/Iranians imprisoned in the United States for violating Iran sanctions, and dropped outstanding charges against 14 others not in U.S. custody. The releases were negotiated separately and were not addressed in the JCPOA.</p> <p><i>In Custody or Missing.</i> In September 2015, Iran detained a Lebanese citizen with permanent residency in the United States, information technology professional Nizar Zakka. In November 2015, Iran arrested U.S.-Iran dual national, business consultant Siamak Namazi, on unspecified charges. Iran detained his father, Baquer Namazi, in February 2016. In July 2016, Iran detained dual national Reza "Robin" Shahini, for crimes against the Islamic Republic. Former FBI agent Robert Levinson remains missing after a visit in 2005 to Kish Island to meet an Iranian source (Dawud Salahuddin, allegedly responsible for the 1980 killing in the United States of an Iranian diplomat who had served the Shah's government). Iran denies knowing his status or location. In December 2011, Levinson's family released a one-year-old taped statement by him, provided to the family in unclear circumstances. In January 2013, his family released recent photos of him, also provided by captors through uncertain channels, and the family acknowledged in late 2013 that his visit to Kish Island was related to CIA contract work.</p> <p>In 2016, Iran also has detained a British-Iranian dual national (Nazanin Zaghari-Radcliffe) and a Canadian-Iranian dual national (Homa Hoodfar). In August 2016, the BBC reported that Iran also detained an unnamed Iran-British dual national for spying for British intelligence.</p>

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### Groups

Christians	Christians, who number about 300,000-370,000, are a “recognized minority” that has three seats reserved in the <i>Majles</i> . The majority of Christians in Iran are ethnic Armenians. The Assyrian Christian population numbers 10,000-20,000. Churches in the country are overseen by the IRGC, suggesting official scrutiny of Christian religious practice. At times, there have been unexplained assassinations of pastors in Iran, as well as prosecutions of Christians for converting from Islam. In September 2011, a Protestant Iranian pastor who was born a Muslim, Youcef Nadarkhani, was sentenced to death for refusing to recant his Christian faith. He was released on September 8, 2012, but was rearrested on Christmas Day that year. Abedini is discussed above.
Baha’is	Iran is repeatedly cited for unrelenting repression of the Baha’i community, which Iran’s Shiite Muslim clergy views as a heretical sect and which numbers about 300,000-350,000. Seven Baha’i leaders were sentenced to 20 years in August 2010. In the 1990s, several Baha’is were executed for apostasy. Congressional resolutions regularly condemn Iran’s treatment of the Baha’is.
Jews	Also a “recognized minority,” with one seat in the <i>Majles</i> , the 8,800-member (2012 census) Jewish community enjoys somewhat more freedoms than Jewish communities in several other Muslim states. However, in June 1999, Iran arrested 13 Jews that it said were part of an “espionage ring” for Israel, and 10 were convicted. An appeals panel reduced the sentences and all were released by April 2003. On November 17, 2008, Iran hanged Muslim businessman Ali Ashtari for providing Iranian nuclear information to Israel. On September 4, 2013, Rouhani’s “Twitter” account issued greetings to Jews on the occasion of Jewish New Year (“Rosh Hashanah”). The Jewish <i>Majles</i> member accompanied Rouhani on his visit to the U.N. General Assembly meetings in September 2013.
Azeris	Azeris are one-quarter of the population and are mostly well integrated into government and society (Khamene’i himself is of Azeri heritage), but many Azeris complain of ethnic and linguistic discrimination. Each year, there are arrests of Azeris who press for their right to celebrate their culture and history. The government accuses them of promoting separatism.
Kurds	There are about 5 million-11 million Kurds in Iran. The Kurdish language is not banned, but schools do not teach it and Kurdish political organizations, activists, and media outlets are routinely scrutinized, harassed, and closed down for supporting greater Kurdish autonomy. Several Kurdish oppositionists have been executed since 2010. In May 2015, violent unrest broke out in the Kurdish city of Mahabad after a local woman was killed in unclear circumstances in a hotel room there, reportedly while with a member of Iran’s intelligence services. Abuses of Kurds is widely cited as providing political support for the Kurdish armed factions discussed above.
Arabs	Ethnic Arabs are prominent in southwestern Iran, particularly Khuzestan Province. The 2 million to 4 million Arabs in Iran encounter systematic oppression and discrimination, including torture and a prohibition on speaking or studying Arabic.

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**Sources:** State Department reports on human rights practices, on international religious freedom, and trafficking in persons. 2016 trafficking in persons report: <http://www.state.gov/documents/organization/258879.pdf>. International Religious Freedom report: <http://www.state.gov/documents/organization/256477.pdf>.

## The Strategic Challenge Posed by Iran

Successive Administrations have identified Iran as a key national security challenge, citing Iran’s nuclear and missile programs as well as its long-standing attempts to counter many U.S. objectives in the region. Director of National Intelligence James Clapper, in his February 2016 annual threat assessment testimony before Congress, described Iran as “present[ing] an enduring threat to U.S. national interests because of its support to regional terrorist and militant groups and the Assad regime, as well as its development of advanced military capabilities.” Section 1241 of the House-passed FY2017 National Defense Authorization Act (NDAA), H.R. 4909, as reported out by the House Armed Services Committee (HASC), would require a new Administration report



on Iran's "malign" activities, including missile and space launches, and support for regional groups and leaders.

Some interpret Iran's national security strategy as intended primarily to protect itself from any potential U.S.-led effort to change Iran's regime. Successive National Defense Authorization Acts (NDAA) require an annual report on Iran's military power, and the unclassified summary of a recent such report states that "Iran's military doctrine is defensive. It is designed to deter an attack, survive an initial strike, retaliate against an aggressor, and force a diplomatic solution to hostilities while avoiding any concessions that challenge its core interests."<sup>12</sup> The latest summary, dated January 2016, states that "Iran continues to develop capabilities to defend its homeland and to control avenues of approach, to include the Strait of Hormuz, in the event of a military conflict."<sup>13</sup>

The FY2016 NDAA (P.L. 114-92) extends the annual DOD reporting requirement until the end of 2025, and added a requirement to report on Iran's offensive and defensive cyber capabilities as part of the assessment. The House and Senate versions of the FY2017 NDAA (H.R. 4909, S. 2943), require the Administration to include in the report information on Iran's cyber-attack capability. The House version also requires the report include an assessment of Iranian security organizations interfering with U.S. military operations or capturing U.S. military personnel. The sections below analyze Iran's nuclear, missile, and weapons of mass destruction (WMD) programs.

## **Nuclear Program and International Response**

Iran's nuclear program has been a paramount U.S. concern in part on the assumption that a nuclear armed Iran would likely become more assertive in the region and internationally. A nuclear-armed Iran might conclude that the United States would hesitate to use military pressure against it. U.S. policymakers also have asserted that Iran's acquisition of a nuclear weapon would produce a nuclear arms race in one of the world's most volatile regions and that Iran might transfer nuclear technology to extremist groups or countries. Israeli leaders describe an Iranian nuclear weapon as a threat to Israel's existence. U.S. officials have asserted that Iran is fully implementing the JCPOA and that the threat of a nuclear-armed Iran has receded.

Iran's nuclear program became a significant U.S. national security issue in 2002, when Iran confirmed that it was building a uranium enrichment facility at Natanz and a heavy water production plant at Arak.<sup>14</sup> The perceived threat escalated significantly in 2010, when Iran began enriching to 20% U-235, which is relatively easy to enrich further to weapons-grade uranium (90%+). Another requirement for a nuclear weapon is a triggering mechanism that an International Atomic Energy Agency report on December 2015, based on years of investigation, concluded Iran researched as late as 2009. The United States and its partners also have insisted that Iran must not possess a nuclear-capable missile.

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<sup>12</sup> Department of Defense. Unclassified Executive Summary. "Annual Report on Military Power of Iran." January 2014.

<sup>13</sup> Department of Defense. Unclassified Executive Summary. "Annual Report on Military Power of Iran." January 2016.

<sup>14</sup> In November 2006, the IAEA, at U.S. urging, declined to provide technical assistance to the Arak facility on the grounds that it was likely for proliferation purposes.

## **Iran's Nuclear Intentions and Activities**

The U.S. intelligence community has stated in recent years (including in the Worldwide Threat Assessment delivered February 9, 2016) that the community does not know whether Iran will eventually decide to build nuclear weapons. But, Iran's adherence to the terms of the JCPOA indicates that Iran likely has put such a decision off for at least a decade. Iranian leaders cite Supreme Leader Khamene'i's 2003 formal pronouncement (*fatwa*) that nuclear weapons are un-Islamic as evidence that a nuclear weapon is inconsistent with Iran's ideology. On February 22, 2012, Khamene'i stated that the production of and use of a nuclear weapon is prohibited as a "great sin," and that stockpiling such weapons is "futile, expensive, and harmful."<sup>15</sup> Other Iranian leaders have argued that an attempt to develop a nuclear weapon would reduce, rather than increase, Iran's security by stimulating a regional arms race or triggering Israeli or U.S. military action. Some Iranian leaders have argued in favor of developing a nuclear weapon as a means of ending Iran's historic vulnerability to great power invasion or domination.

Iranian leaders assert that Iran's nuclear program was always for medical uses and electricity generation in light of finite oil and gas resources. Iran argues that uranium enrichment is its "right" as a party to the 1968 Nuclear Non-Proliferation Treaty and that it wants to make its own nuclear fuel to avoid potential supply disruptions by international suppliers. U.S. officials have said that Iran's gas resources make nuclear energy unnecessary, but that Iran's use of nuclear energy is acceptable as long as Iran verifiably demonstrates that its nuclear program is for only peaceful purposes.

Allegations that Iran might have researched a nuclear explosive device have caused experts and governments to question Iran's assertions of purely peaceful intent for its nuclear program. The December 2, 2015, International Atomic Energy Agency (IAEA) report, mentioned above, to some extent strengthened the arguments of those who assert that Iran had, and still might have, nuclear weapons ambitions. No government or international body has asserted that Iran has diverted nuclear material for a nuclear weapons program.<sup>16</sup> See CRS Report R43333, *Iran Nuclear Agreement*, by Kenneth Katzman and Paul K. Kerr.

## ***Nuclear Weapons Time Frame Estimates***

Estimates have varied as to how long it would take Iran to develop a nuclear weapon, were there a decision to do so. Prior to JCPOA implementation, Vice President Biden told the Washington Institute for Near East Policy (April 30, 2015) that Iran could likely have enough fissile material for a nuclear weapon within 2-3 months of a decision to manufacture that material. According to testimony and statements by U.S. officials, the implementation of the JCPOA has increased the "breakout time"—an all-out effort by Iran to develop a nuclear weapon using declared facilities or undeclared covert facilities—to at least 12 months.

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<sup>15</sup> "Leader Says West Knows Iran Not Seeking 'Nuclear Weapons,'" Vision of the Islamic Republic of Iran Network, February 22, 2012.

<sup>16</sup> The February 25, 2011, IAEA report listed Iran's declared nuclear sites as well as a summary of all the NPT obligations Iran is not meeting. IAEA report of February 25, 2011. <http://lewis.armscontrolwonk.com/files/2011/02/gov2011-7.pdf>.



### ***Status of Uranium Enrichment and Ability to Produce Plutonium<sup>17</sup>***

A key to extending the “breakout time” is to limit Iran’s ability to produce fissile material by enriching uranium with devices called centrifuges. When the JCPOA was agreed, Iran had about 19,000 total installed centrifuges, of which about 10,000 were in operation. Prior to the interim nuclear agreement (Joint Plan of Action, JPA), Iran had a stockpile of 400 lbs of 20% enriched uranium (short of the 550 lbs. that would be needed to produce one nuclear weapon from that stockpile). Weapons grade uranium is uranium that is enriched to 90%.

In accordance with the JCPOA, the IAEA determined that Iran had removed from installation all but 6,100 centrifuges and reduced its stockpile of 3.67% uranium enriched to 300 kilograms (660 lbs.) These restrictions start to come off after 10-15 years. Another means of acquiring fissile material for a nuclear weapon is to reprocess plutonium, a material that would be produced by Iran’s heavy water plant at Arak. In accordance with the JCPOA, Iran has rendered inactive the core of the reactor and has removed much of its supply of heavy water. Some of the heavy water (40 tons) was sold to the United States, for use by a Department of Energy program.

### ***Bushehr Reactor/Russia to Build Additional Reactors***

The JCPOA does not prohibit operation or new construction of civilian nuclear plants such as the one Russia built at Bushehr. Under their 1995 bilateral agreement commissioning the construction, Russia supplies nuclear fuel for the plant and takes back the spent nuclear material for reprocessing. Russia delayed opening the plant apparently to pressure Iran on the nuclear issue, but it was reported provisionally operational as of September 2012.

In November 2014, Russia and Iran reached agreement for Russia to build two more reactors at Bushehr—and possibly as many as six more beyond that—at Bushehr and other sites. Under the reported terms, Russia would supply and reprocess all fuel for these reactors. In January 2015, Iran announced it would construct two nuclear power plants near the existing one at Bushehr, and, in early August 2016, Iran’s top nuclear official, Atomic Energy Organization of Iran chief Ali Akbar Salehi, announced Iran had identified \$10 billion in funding for the plants. Because all nuclear fuel and reprocessing is supplied externally, these plants are not considered a significant proliferation concern and are not addressed in the JCPOA.

### ***International Diplomatic Efforts to Address Iran’s Nuclear Program***

International concerns about Iran’s nuclear program produced a global consensus to apply economic pressure on Iran to persuade it to negotiate limits on its nuclear program. In 2003, France, Britain, and Germany (the “EU-3”) opened a separate diplomatic track to curb Iran’s program. On October 21, 2003, Iran pledged, in return for peaceful nuclear technology, to suspend uranium enrichment activities and sign and ratify the “Additional Protocol” to the NPT (allowing for enhanced inspections). Iran signed the Additional Protocol on December 18, 2003, although the *Majles* did not ratify it.

Iran ended the suspension after several months, but the EU-3 and Iran reached a more specific November 14, 2004, “Paris Agreement,” under which Iran suspended uranium enrichment in exchange for renewed trade talks and other aid.<sup>18</sup> The Bush Administration supported the Paris

<sup>17</sup> [http://isis-online.org/uploads/isis-reports/documents/IAEA\\_Iran\\_Safeguards\\_Report\\_14Nov2013.pdf](http://isis-online.org/uploads/isis-reports/documents/IAEA_Iran_Safeguards_Report_14Nov2013.pdf). These issues are discussed in greater detail in CRS Report R43333, *Iran Nuclear Agreement*, by Kenneth Katzman and Paul K. Kerr.

<sup>18</sup> For text of the agreement, see [http://www.iaea.org/NewsCenter/Focus/IaeaIran/eu\\_iran14112004.shtml](http://www.iaea.org/NewsCenter/Focus/IaeaIran/eu_iran14112004.shtml). EU-3-Iran negotiations on a permanent nuclear pact began on December 13, 2004, and related talks on a trade and cooperation (continued...)

Agreement on March 11, 2005, by announcing dropping U.S. objections to Iran applying to join the World Trade Organization (WTO). The Paris Agreement broke down in 2005 when Iran rejected an EU-3 proposal for a permanent nuclear agreement as offering insufficient benefits. On August 8, 2005, Iran broke the IAEA seals and began uranium “conversion” (one step before enrichment) at its Esfahan facility. On September 24, 2005, the IAEA Board declared Iran in non-compliance with the NPT and, on February 4, 2006, the IAEA board voted 27-3<sup>19</sup> to refer the case to the Security Council. On March 29, 2006, the Council president set a 30-day time limit to cease enrichment.<sup>20</sup>

“P5+1” Formed. The Bush Administration offered on May 31, 2006, to join the nuclear talks, triggering an expanded negotiating group called the “Permanent Five Plus 1” (P5+1: United States, Russia, China, France, Britain, and Germany). A P5+1 offer to Iran on June 6, 2006, guaranteed Iran nuclear fuel (Annex I to Resolution 1747) and threatened sanctions if Iran did not agree (sanctions were imposed in subsequent years).<sup>21</sup>

### ***First Four U.N. Security Council Resolutions Adopted***

The U.N. Security Council subsequently imposed sanctions on Iran in an effort to shift Iran’s calculations toward compromise. A table outlining the provisions of the U.N. Security Council Resolutions on Iran’s nuclear program can be found in CRS Report RS20871, *Iran Sanctions*, by Kenneth Katzman. (The Resolutions below, and Resolution 1929, were formally superseded on January 16, 2016, by Resolution 2231.).

- *Resolution 1696.* On July 31, 2006, the Security Council voted 14-1 (Qatar voting no) for U.N. Security Council Resolution 1696, giving Iran until August 31, 2006, to suspend enrichment suspension, suspend construction of the Arak heavy-water reactor, and ratify the Additional Protocol to Iran’s IAEA Safeguards Agreement. It was passed under Article 40 of the U.N. Charter, which makes compliance mandatory, but not under Article 41, which refers to economic sanctions, or Article 42, which authorizes military action.
- *Resolution 1737.* After Iran refused a proposal to temporarily suspend enrichment, the Security Council adopted U.N. Security Council Resolution 1737 unanimously on December 23, 2006, under Chapter 7, Article 41 of the U.N. Charter. It demanded enrichment suspension by February 21, 2007, prohibited sale to Iran of nuclear technology, and required U.N. member states to freeze the financial assets of named Iranian nuclear and missile firms and related persons.
- *Resolution 1747.* On March 24, 2007, Resolution 1747, adopted unanimously, demanded Iran suspend enrichment by May 24, 2007. The Resolution added entities to those sanctioned by Resolution 1737 and banned arms transfers by Iran (a provision directed at stopping Iran’s arms supplies to its regional allies and proxies). It called for, but did not require, countries to cease selling arms or dual

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(...continued)

accord (TCA) began in January 2005.

<sup>19</sup> Voting no: Cuba, Syria, Venezuela. Abstaining: Algeria, Belarus, Indonesia, Libya, South Africa.

<sup>20</sup> See <http://daccessdds.un.org/doc/UNDOC/GEN/N06/290/88/PDF/N0629088.pdf?OpenElement>.

<sup>21</sup> One source purports to have obtained the contents of the package from ABC News: <http://www.basicint.org/pubs/Notes/BN060609.htm>.

- use items to Iran and for countries and international financial institutions to avoid giving Iran any new loans or grants (except loans for humanitarian purposes).
- *Resolution 1803*. Adopted on March 3, 2008, by a vote of 14-0 (and Indonesia abstaining), Resolution 1803 added persons and entities to those sanctioned; banned travel outright by certain sanctions persons; banned virtually all sales of dual use items to Iran; and authorized inspections of Iran Air Cargo and Islamic Republic of Iran Shipping Line shipments, if there is cause to believe that the shipments contain banned goods. In May 2008, the P5+1 added political and enhanced energy cooperation with Iran to previous incentives, and the text of that enhanced offer was attached as an Annex to Resolution 1929 (see below).
  - *Resolution 1835*. In July 2008, Iran indicated it might be ready to accept a temporary “freeze for freeze”: the P5+1 would impose no new sanctions and Iran would stop expanding uranium enrichment. No agreement on that concept was reached, even though the Bush Administration sent then-Under Secretary of State for Political Affairs William Burns to a P5+1-Iran negotiation in Geneva in July 2008. On September 27, 2008, the Council adopted Resolution 1835 (September 27, 2008), demanding compliance but not adding any sanctions.

## **Developments during the Obama Administration**

The P5+1 met in February 2009 to incorporate the new U.S. Administration’s stated commitment to direct U.S. engagement with Iran.<sup>22</sup> On April 8, 2009, U.S. officials announced that a U.S. diplomat would henceforth attend all P5+1 meetings with Iran. In July 2009, the United States and its allies demanded that Iran needed to offer constructive proposals by late September 2009 or face “crippling sanctions.” On September 9, 2009, Iran offered proposals that the P5+1 determined constituted a basis for further talks.

*Tentative Agreements Collapse*. The October 1, 2009, P5+1-Iran meeting in Geneva produced a tentative agreement for Iran to allow Russia and France to reprocess 75% of Iran’s low-enriched uranium stockpile for medical use. Technical talks on the tentative accord were held in Vienna on October 19-21, 2009, and a draft agreement was approved by the P5+1 countries. However, the Supreme Leader reportedly opposed Iran’s concessions and the agreement was not finalized.

In April 2010, Brazil and Turkey negotiated with Iran to revive the October arrangement. On May 17, 2010, with the president of Brazil and prime minister of Turkey in Tehran, the three signed an arrangement (“Tehran Declaration”) for Iran to send 2,600 pounds of uranium to Turkey in exchange for medically-useful reprocessed uranium.<sup>23</sup> Iran submitted to the IAEA an acceptance letter, but the Administration rejected the plan as failing to address enrichment to the 20% level.

## **U.N. Security Council Resolution 1929**

Immediately after the Brazil-Turkey mediation failed, then Secretary of State Clinton announced that the P5+1 had reached agreement on a new U.N. Security Council Resolution that would give U.S. allies authority to take substantial new economic measures against Iran. Adopted on June 9, 2010,<sup>24</sup> Resolution 1929 was the most sweeping of those adopted on Iran’s nuclear program, and

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<sup>22</sup> Dempsey, Judy. “U.S. Urged to Talk With Iran.” *International Herald Tribune*, February 5, 2009.

<sup>23</sup> Text of the pact is at <http://www.cfr.org/publication/22140/>.

<sup>24</sup> It was adopted by a vote of 12-2 (Turkey and Brazil voting no) with one abstention (Lebanon).

an annex presented a modified offer of incentives to Iran.<sup>25</sup> By authorizing U.N. member states to sanction key Iranian economic sectors such as energy and banking, Resolution 1929 placed significant additional economic pressure on Iran.

However, the Resolution produced no breakthrough in talks. Negotiations on December 6-7, 2010, in Geneva and January 21-22, 2011, in Istanbul floundered over Iran's demand for immediate lifting of international sanctions. Additional rounds of P5+1-Iran talks in 2012 and 2013 (2012: April in Istanbul; May in Baghdad; and June in Moscow); 2013: Almaty, Kazakhstan, in February and in April) did not achieve agreement on a P5+1 proposal that Iran halt enrichment to the 20% level ("stop"); close the Fordow facility ("shut"); and remove the existing stockpile of 20% enriched uranium ("ship");

### ***Joint Plan of Action (JPA)***

P5+1 leaders asserted that the 2013 election of Rouhani as president improved the prospects for a nuclear settlement. In advance of his visit to the U.N. General Assembly meetings in New York during September 23-27, 2013, Rouhani stated that the Supreme Leader had given him authority to negotiate a nuclear deal. The Supreme Leader affirmed that authority in a speech to the IRGC on September 17, 2013, in which he said he believes in the concept of "heroic flexibility"—adopting "proper and logical diplomatic moves..."<sup>26</sup> An agreement on an interim nuclear agreement, the "Joint Plan of Action" (JPA), was announced on November 24, 2013. In exchange for \$700 million per month in hard currency payments from oil sales and other modest sanctions relief, it required Iran to (1) eliminate its stockpile of 20% enriched uranium, (2) cease enriching to that level, and (3) not increase its stockpile of 3.5% enriched uranium.

### ***The Joint Comprehensive Plan of Action (JCPOA)***<sup>27</sup>

P5+1-Iran negotiations on a comprehensive settlement began in February 2014 but missed several self-imposed deadlines. On April 2, 2015, the parties reached a framework for a JCPOA, and the JCPOA was finalized on July 14, 2015. U.N. Security Council Resolution 2231 of July 20, 2015, endorsed the JCPOA and contains restrictions (less stringent than in Resolution 1929) on Iran's importation or exportation of conventional arms (for up to five years), and on development and testing of ballistic missiles capable of delivering a nuclear weapon (for up to eight years). On January 16, 2016, the IAEA certified that Iran completed the work required for sanctions relief and "Implementation Day" was declared. U.S. officials, including Ambassador Stephen Mull, who directs U.S. implementation of the JCPOA, have testified on several occasions since Implementation Day that Iran is complying with the JCPOA. For detail on the JCPOA, see CRS Report R43333, *Iran Nuclear Agreement*, by Kenneth Katzman and Paul K. Kerr.

## **Missile Programs and Chemical and Biological Weapons Capability**

Iran is widely believed unlikely to use chemical or biological weapons or to transfer them to its regional proxies or allies. Iran's missile programs, which the 2016 Defense Department report on

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<sup>25</sup> Text of the resolution is at [http://www.isis-online.org/uploads/isis-reports/documents/Draft\\_resolution\\_on\\_Iran\\_annexes.pdf](http://www.isis-online.org/uploads/isis-reports/documents/Draft_resolution_on_Iran_annexes.pdf).

<sup>26</sup> Open Source Center, "Iran: Leader Outlines Guard Corps Role, Talks of 'Heroic Flexibility,'" published September 18, 2013.

<sup>27</sup> For detail on the framework accord, reaction, and congressional review and oversight issues, see CRS Report R43333, *Iran Nuclear Agreement*, by Kenneth Katzman and Paul K. Kerr.

Iran's military power assesses as growing in sophistication, pose a realistic and significant threat to U.S. allies in the region, as well as to U.S. ships and forces in the Persian Gulf.

## **Chemical and Biological Weapons**

U.S. reports indicate that Iran has the capability to produce chemical warfare (CW) agents and “probably” has the capability to produce some biological warfare agents for offensive purposes, if it made the decision to do so.<sup>28</sup> This raises questions about Iran's compliance with its obligations under the Chemical Weapons Convention (CWC), which Iran signed on January 13, 1993, and ratified on June 8, 1997.

## **Missiles and Warheads<sup>29</sup>**

The Administration asserts that Iran has a growing and increasingly sophisticated arsenal of missiles of varied ranges and types, giving Iran the ability to project power. The Defense Department report on Iran's military power (2016), referenced earlier, states that Iran is fielding more advanced coastal defense missile batteries, anti-ship ballistic missiles, and “missiles capable of reaching targets throughout the region, including U.S. military bases and Israel....” DNI Clapper testified February 9, 2016, that “Iran's ballistic missiles are inherently capable of delivering WMD and Tehran already has the largest inventory of ballistic missiles in the Middle East.” He added that, “Iran's progress on space launch vehicles—along with its desire to deter the United States and its allies—provides Tehran with the means and motivation to develop longer-range missiles, including ICBMs (Intercontinental Ballistic Missiles).” Iran's missile programs are run by the IRGC Air Force, particularly the IRGC Air Force Al Ghadir Missile Command—an entity sanctioned under Executive Order 13382.

Resolution 2231 of July 20, 2015 (now the only operative Security Council resolution on Iran) “calls on” Iran not to develop or test ballistic missiles “designed to be capable of” delivering a nuclear weapon, for up to eight years. The wording, although less strict than the language of Resolution 1929, is interpreted by Security Council members as a ban on Iran's development of ballistic missiles. The JCPOA itself does not specifically contain any ballistic missile-related restraints. Administration officials maintain that the missile issue is being addressed separately from the JCPOA.

Iran has continued developing and testing missiles, despite Resolution 2231. On October 11, 2015, Iran tested the domestically produced medium-range (1,200 mile range) “Emad” ballistic missile, which DNI Clapper testified is “more accurate” than Iran's previously produced missiles. U.S. officials brought an assertion of violation of Resolution 1929 to the Security Council's Iran sanctions committee, but the committee has not, to date, imposed any additional penalties on Iran for that test, or for a reported subsequent test on November 21, 2015. U.S. Ambassador to the United Nations Samantha Power called a Security Council meeting to consider whether Iranian missile tests of March 8-9, 2016, constituted a violation of Resolution 2231, terming the tests “provocative and destabilizing.” In separate U.S. responses to the 2015 and 2016 tests, the United States designated additional firms for sanctions under Executive Order 13382. Iran reportedly conducted another missile test in early May 2016, although Iranian media had varying accounts

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<sup>28</sup> Deputy Director of National Intelligence for Analysis, “Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, Covering 1 January to 31 December 2010,” March 2011.

<sup>29</sup> For more information on Iran's missile arsenal, see CRS Report R42849, *Iran's Ballistic Missile and Space Launch Programs*, by Steven A. Hildreth.

of the range of the missile tested. The State Department called that test “inconsistent” with Resolution 2231.<sup>30</sup> During July 11-21, 2016, a test of a missile of a range of 2,500 miles, and akin to North Korea’s Musudan missile, reportedly failed. It is not clear whether North Korea provided any technology or had any involvement in the test.<sup>31</sup> Iranian technicians reportedly have attended at least some of North Korea’s missile and space launches in recent years.

Iran denies it is developing nuclear-capable ballistic missiles and asserts that conventionally armed missiles are an integral part of its defense strategy and will not stop, U.N. resolutions notwithstanding. Iran argues that it is not developing a nuclear weapon and therefore is not designing its missile to carry a nuclear weapon.

Recent U.S. sanctions designations indicate that Iran continues to receive at least some outside assistance for its missile program. Iranian technicians may have witnessed North Korea’s satellite launch in December 2012, which, if true, could support the view that Iran-North Korea missile cooperation is extensive. Iran’s programs do not appear to have been permanently set back by the November 12, 2011, explosion at a ballistic missile base outside Tehran that destroyed it and killed the base commander.

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<sup>30</sup> <http://www.state.gov/r/pa/prs/dpb/2016/05/257039.htm#IRAN>.

<sup>31</sup> Lucas Tomlinson. “Iran Conducts 4<sup>th</sup> Missile Test Since Signing Nuke Deal.” Fox News, July 15, 2016.



**Table 3. Iran's Missile Arsenal**

Shahab-3 ("Meteor")	The 800-mile range missile is operational, and Defense Department reports indicate Tehran is improving its lethality and effectiveness.
Shahab-3 "Variant" /Sijil/Ashoura/Emad	The Sijil, or Ashoura, is a solid fuel Shahab-3 variant with 1,200-1,500-mile range, which puts large portions of the Near East and Southeastern Europe in range. In June 2011, Iran unveiled underground missile silos. On October 11, 2015, and reportedly again on November 21, 2015, Iran tested the domestically produced 1,200 mile range "Emad" ballistic missile, which U.S. intelligence officials called "more accurate" than previous Iranian-produced missiles of similar range. Some of these missiles, as well as shorter range missiles—and reportedly inscribed with the phrase "Israel must be wiped off the face of the earth"—were launched on March 8-9, 2016.
BM-25/Musudan Variant	This missile, with a reported range of up to 2,500 miles, is of North Korean design, and in turn based on the Soviet-era "SS-N-6" missile. Reports in 2006 that North Korea supplied the missile or components of it to Iran have not been corroborated, but Iran reportedly tried to test its own version of this missile in mid-July 2016.
Short Range Ballistic Missiles and Cruise Missiles	Iran is fielding increasingly capable short-range ballistic and anti-ship cruise missiles, according to DOD reports, including the ability to change course in flight. One such short range ballistic missile is named the Qiam, first tested in August 2010. Iran has long worked on a 200 mile range "Fateh 110" missile (solid propellant), a version of which is the Khaliji Fars (Persian Gulf) anti-ship ballistic missile that could threaten maritime activity throughout the Persian Gulf. Iran also is able to arm its patrol boats with Chinese-made C-802 anti-ship cruise missiles. Iran also has C-802s and other missiles emplaced along Iran's coast, including the Chinese-made CSSC-2 (Silkworm) and the CSSC-3 (Seersucker). Iran also possesses a few hundred short-range ballistic missiles, including the <i>Shahab-1</i> (Scud-b), the <i>Shahab-2</i> (Scud-C), and the <i>Tondar-69</i> (CSS-8).
Space Vehicles and ICBMs	<p>In February 2009, Iran successfully launched a small, low-earth satellite on a Safir-2 rocket (range about 155 miles). The Pentagon said the launch was "clearly a concern of ours" because "there are dual-use capabilities here which could be applied toward the development of long-range missiles." Iran has claimed additional satellite launches since, including the launch and return of a vehicle carrying a small primate in December 2013. In March 2016, Iran was said to be readying the <i>Simorgh</i> vehicle for a space launch, but the launch has not been reported to date.</p> <p>The U.S. defense and intelligence community assesses that these vehicles could be configured as ballistic missiles of intercontinental ballistic ranges (ICBM: 3,000 mile or more range). However, the U.S. intelligence community has not stated that Iran has produced an ICBM, to date.</p>
Warheads	<i>Wall Street Journal</i> report of September 14, 2005, said that U.S. intelligence believes Iran is working to adapt the Shahab-3 to deliver a nuclear warhead. Subsequent press reports said that U.S. intelligence captured an Iranian computer in mid-2004 showing plans to construct a nuclear warhead for the Shahab. <sup>32</sup> No further information on any such work has been reported since.

**Source:** Testimony of U.S. intelligence community officials, 2005-2016, various press.

## Conventional and "Asymmetric Warfare" Capability

Iran's leaders have repeatedly warned that Iran could and would take military action if it perceives it is threatened, and Iran's armed forces appear able to deter or defend against any

<sup>32</sup> William Broad and David Sanger, "Relying On Computer, U.S. Seeks to Prove Iran's Nuclear Aims," *New York Times*, November 13, 2005.

aggression from Iran's neighbors. Iran's forces are almost certainly incapable of defeating the United States in a direct military confrontation. Iran generally lacks the ability to deploy concentrated armed force across long distances or waterways such as the Persian Gulf. But Iran is able to project power—including against U.S. and U.S.-allied interests in the region—through its support for friendly governments and proxy forces.

Organizationally, Iran's armed forces are divided to perform functions appropriate to their roles. The Islamic Revolutionary Guard Corps (IRGC, known in Persian as the *Sepah-e-Pasdaran Enghelab Islami*)<sup>33</sup> controls the *Basij* (Mobilization of the Oppressed) volunteer militia that has been the main instrument to repress domestic dissent. The IRGC also has a national defense role and it and the regular military (*Artesh*)—the national army that existed under the former Shah—report to a joint headquarters. On June 28, 2016, Supreme Leader Khamene'i replaced the longtime Chief of Staff (head) of the Joint Headquarters, Dr. Hassan Firuzabadi, with Maj. Gen. Mohammad Hossein Bagheri. Bagheri is was an early recruit to the IRGC and fought against Kurdish insurgents and in the Iran-Iraq War. About 56 years old, Bagheri has not publicly expressed strong views on major issues.<sup>34</sup> The *Artesh* is deployed mainly at bases outside major cities and its leaders have publicly asserted that the regular military does not have a mandate to suppress public demonstrations and will not do so.

The IRGC Navy and regular Navy (Islamic Republic of Iran Navy, IRIN) are distinct forces; the IRIN has responsibility for the Gulf of Oman, whereas the IRGC Navy has responsibility for the closer-in Persian Gulf and Strait of Hormuz. The regular Air Force controls most of Iran's combat aircraft, whereas the IRGC Air Force runs Iran's ballistic missile programs. Iran has a small number of warships on its Caspian Sea coast. In January 2014, Iran sent some warships into the Atlantic Ocean for the first time ever, presumably to try to demonstrate growing naval strength. In July 2016, the commander of the regular Navy, Rear Admiral Habibollah Sayyari, said that Iran would establish a presence in the Atlantic of unspecified duration.

## Iran's Military-Military Relationships and Potential New Buys

Iran's armed forces have few formal relationships with foreign militaries outside the region. Iran's military-to-military relationships with Russia, China, Ukraine, Belarus, and North Korea generally have focused on Iranian arms purchases or upgrades. Iran and Russia are cooperating in Syria to assist the Assad regime's military effort against a multi-faceted armed rebellion. The cooperation expanded in August 2016 with Russia's bomber aircraft being allowed use of Iran's western airbase at Hamadan to launch strikes in Syria. This appears to be the first time since the 1979 revolution that a foreign military has been provided use of Iran's military facilities. A provision of the House version of the FY2017 NDAA (Section 1259M) requires an Administration report on Iran-Russia military cooperation worldwide.

Iran and India have a "strategic dialogue" and some Iranian naval officers reportedly underwent some training in India in the 1990s. Iran's military also conducted joint exercises with the Pakistani armed forces in the early 1990s. In September 2014, two Chinese warships docked at Iran's port of Bandar Abbas, for the first time in history, to conduct four days of naval exercises,<sup>35</sup>

<sup>33</sup> For a more extensive discussion of the IRGC, see Katzman, Kenneth, "The Warriors of Islam: Iran's Revolutionary Guard," *Westview Press*, 1993.

<sup>34</sup> Farzin Nadimi. "Who Is Iran's New Armed Forces Chief of Staff?" Washington Institute for Near East Policy, July 5, 2016.

<sup>35</sup> Thomas Erdbrink and Chris Buckley. "China's Navy Sends Ships for Exercises with Iran." *New York Times*, September 22, 2014.



and in October 2015, the leader of Iran's regular (not IRGC) Navy made the first visit ever to China by an Iranian Navy commander.

Sales to Iran of most conventional arms (arms on a U.N. Conventional Arms Registry) were banned by U.N. Resolution 1929. Resolution 2231 requires (for a maximum of five years) Security Council approval for any transfer of weapons or military technology, or related training or financial assistance, to Iran. U.S. officials say they are attempting to assess whether Russia's use of the Hamadan air base, discussed above, might constitute a violation of that provision. Defense Minister Hossein Dehghan visited Moscow during February 15-16, 2016, reportedly to discuss possible purchases of \$8 billion worth of new conventional arms, including T-90 tanks, Su-30 aircraft, attack helicopters, anti-ship missiles, frigates, and submarines. Such purchases would require Security Council approval under Resolution 2231, and U.S. officials have said the United States would use its veto power to deny approval for the sale.

## **Asymmetric Warfare Capacity**

Iran appears to be attempting to compensate for its conventional military weaknesses by developing a significant capacity for "asymmetric warfare." The 2016 Defense Department report, referenced above, states that Iran continues to develop forces and tactics to control the approaches to Iran, including the Strait of Hormuz, and that the IRGC-QF remains a key tool of Iran's "foreign policy and power projection." Iran's naval strategy appears to be center on developing an ability to "swarm" U.S. naval assets with its fleet of small boats and large numbers of anti-ship cruise missiles and its inventory of coastal defense cruise missiles (such as the Silkworm or Seersucker). It is also developing increasingly lethal systems such as more advanced naval mines and "small but capable submarines," according to the 2016 DoD report. Iran has added naval bases along its Gulf coast in recent years, enhancing its ability to threaten shipping in the Strait. In 2013, Iran constructed an additional naval base near Iran's border with Pakistan, on the Sea of Oman.

Iran's threats to block the Strait if Iran is attacked—a threat repeated in early August 2016—could be intended to extract concessions from the international community. It is a long-asserted core U.S. interest to preserve the free flow of oil and freedom of navigation in the Persian Gulf, which is only about 20 miles wide at its narrowest point. The Strait is identified by the Energy Information Administration as a key potential "chokepoint" for the world economy. Each day, about 17 million barrels of oil flow through the Strait, which is 35% of all seaborne traded oil and 20% of all worldwide traded oil.<sup>36</sup> In mid-2015, Iran stopped several commercial ships transiting the Strait as part of an effort to resolve commercial disputes with the shipping companies involved. However, the stoppages might have been intended to demonstrate Iran's potential ability to control the Strait.

## **Power Projection Through Allies and Proxies**

As noted in the latest DOD report, a key component of Iran's asymmetric capability is the IRGC-QF's support for friendly governments and armed factions in the region. These activities help Iran expand its influence with little direct risk, give Tehran a measure of deniability, and serve as a "force multiplier" that compensates for a relatively weak conventional force. Some U.S. officials have predicted that, in the event of a U.S.-Iran confrontation, Iran would try to retaliate through terrorist attacks inside the United States or against U.S. embassies and facilities in Europe or the

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<sup>36</sup> <http://www.eia.gov/todayinenergy/detail.cfm?id=18991>.

Persian Gulf. Iran could also try to direct Iran-supported forces in Afghanistan or Iraq to attack U.S. personnel there. Some of the groups Iran supports, such as Lebanese Hezbollah, are named as terrorist organizations by the United States. Iran's support for such proxies was the main justification for Iran's addition to the U.S. list of state sponsors of terrorism ("terrorism list") in January 1984.

In June 2016, the State Department issued its annual report on international terrorism, for 2015, which again characterized Iran as

... the foremost state sponsor of terrorism in 2015, providing a range of support, including financial, training, and equipment, to groups around the world – particularly Hezbollah. Iran continued to be deeply involved in the conflict in Syria, working closely with the Assad regime to counter the Syrian opposition, and also in Iraq where Iran continued to provide support to militia groups, including Foreign Terrorist Organization Kata'ib Hezbollah. In addition, it was implicated for its support to violent Shia opposition group attacks in Bahrain. Iran was joined in these efforts by Hezbollah, which continued to operate globally, as demonstrated by the disruption of Hezbollah activities in Peru in 2014 and Cyprus in 2015.<sup>37</sup>

For more detail, see CRS Report R44017, *Iran's Foreign Policy*, by Kenneth Katzman.

#### Table 4. Iran's Conventional Military Arsenal

**Military and Security Personnel:** 475,000+. Regular army ground force is about 350,000, Revolutionary Guard Corps (IRGC) ground force is about 100,000. IRGC navy is about 20,000 and regular navy is about 18,000. Regular Air Force has about 30,000 personnel and IRGC Air Force (which runs Iran's missile programs) is of unknown size. Security forces number about 40,000-60,000 law enforcement forces, with another 600,000 Basij (volunteer militia under IRGC control) available for combat or internal security missions.

**Tanks:** 1,650+ Includes 480 Russian-made T-72. Iran reportedly discussing purchase of Russian-made T-90s.

**Surface Ships and Submarines:** 100+ (IRGC and regular Navy) Includes 4 Corvette; 18 IRGC-controlled Chinese-made patrol boats, several hundred small boats.) Also has 3 Kilo subs (reg. Navy controlled). Iran has been long said to possess several small subs, possibly purchased assembled or in kit form from North Korea. Iran claimed on November 29, 2007, to have produced a new small sub equipped with sonar-evading technology, and it deployed four Iranian-made "Ghadir class" subs to the Red Sea in June 2011. Iran reportedly seeks to buy from Russia additional frigates and submarines.

**Combat Aircraft/Helicopters:** 330+ Includes 25 MiG-29 and 30 Su-24. Still dependent on U.S. F-4s, F-5s and F-14 bought during Shah's era. Iran reportedly negotiating with Russia to purchase Su-30s (Flanker) equipped with advanced air to air and air to ground missiles (Yakhont anti-ship missile). Iran reportedly seeks to purchase Russia-made Mi-17 attack helicopters.

**Anti-aircraft Missile Systems:** Iran has 150+ U.S.-made I-Hawk (from Iran-Contra Affair) plus possibly some Stingers acquired in Afghanistan. Russia delivered to Iran (January 2007) 30 anti-aircraft missile systems (Tor M1), worth over \$1 billion. In December 2007, Russia agreed to sell five batteries of the highly capable S-300 air defense system at an estimated cost of \$800 million. Sale of the system did not technically violate U.N. Resolution 1929, because the system is not covered in the U.N. Registry on Conventional Arms, but Russia refused to deliver the system as long as that sanction remained in place. After the April 2, 2015, framework nuclear accord, Russian officials indicated they would proceed with the S-300 delivery, and deliveries began in April 2016, two months after Defense Minister Dehghan's February 2016 visit to Russia. Iran reportedly also seeks to buy the S-400 anti-aircraft system from Russia.

**Defense Budget:** About 3% of GDP, or about \$15 billion. The national budget is about \$300 billion.

**Sources:** IISS Military Balance (2016)—Section on Middle East and North Africa, and various press reports.

<sup>37</sup> Department of State. Country Reports on Terrorism 2015. <http://www.state.gov/j/ct/rls/crt/2015/257513.htm>

**Table 5. The Islamic Revolutionary Guard Corps (IRGC)**

The IRGC is generally loyal to Iran's political hardliners and is clearly more politically influential than is Iran's regular military, which is numerically larger, but was held over from the Shah's era. The IRGC's political influence has grown sharply as the regime has relied on it to suppress dissent. A Rand Corporation study stated: "Founded by a decree from Ayatollah Khomeini shortly after the victory of the 1978-1979 Islamic Revolution, Iran's Islamic Revolutionary Guards Corps (IRGC) has evolved well beyond its original foundations as an ideological guard for the nascent revolutionary regime.... The IRGC's presence is particularly powerful in Iran's highly factionalized political system, in which [many senior figures] hail from the ranks of the IRGC...."

Through its Qods (Jerusalem) Force (QF), the IRGC has a foreign policy role in exerting influence throughout the region by supporting pro-Iranian movements and leaders. The IRGC-QF numbers approximately 10,000-15,000 personnel who provide advice, support, and arrange weapons deliveries to pro-Iranian factions or leaders in Lebanon, Iraq, Syria, Persian Gulf states, Gaza/West Bank, Afghanistan, and Central Asia. IRGC leaders have confirmed the QF is in Syria to assist the regime of Bashar al-Assad against an armed uprising, and it is advising the Iraqi government against the Islamic State (also known as ISIS or ISIL)—tacitly aligning it there with U.S. forces. Section 1223 of the FY2016 National Defense Authorization Act (P.L. 114-92) required a DOD report any U.S. military interaction with the IRGC-QF, presumably in Iraq. The QF commander, Brigadier General Qassem Soleimani, reportedly has an independent channel to Khamene'i. The QF commander during 1988-1995 was Brigadier General Ahmad Vahidi, who served as defense minister during 2009-2013. He led the QF when it allegedly assisted Lebanese Hezbollah carry out two bombings of Israeli and Jewish targets in Buenos Aires (1992 and 1994) and is wanted by Interpol. He allegedly recruited Saudi Hezbollah activists later accused of the June 1996 Khobar Towers bombing.

IRGC leadership developments are significant because of the political influence of the IRGC. Mohammad Ali Jafari has been Commander in Chief of the IRGC since September 2007. He is considered a hardliner against political dissent and a close ally of the Supreme Leader. He criticized Rouhani for accepting a phone call from President Obama on September 27, 2013, and opposed major concessions in the JCPOA negotiations. The *Basij* militia reports to the IRGC commander in chief; its leader is Brigadier General Mohammad Reza Naqdi. It operates from thousands of positions in Iran's institutions. Command reshuffles in July 2008 integrated the Basij more closely with provincially based IRGC units and increased the Basij role in internal security. In November 2009, the regime gave the IRGC's intelligence units greater authority, perhaps surpassing those of the Ministry of Intelligence, in monitoring dissent. The IRGC Navy has responsibility to patrol the Strait of Hormuz and the regular Navy has responsibility for the broader Arabian Sea and Gulf of Oman (deeper waters further off the coast). The IRGC Air Force runs Iran's ballistic missile programs, but combat and support military aviation is operated exclusively by the regular Air Force, which has the required pilots and sustainment infrastructure for air force operations.

As noted, the IRGC is also increasingly involved in Iran's economy, acting through a network of contracting businesses it has set up, most notably *Ghorb* (also called *Khatam ol-Anbiya*, Persian for "Seal of the Prophet"). Active duty IRGC senior commanders reportedly serve on Ghorb's board of directors and its chief executive, Rostam Ghasemi, served as Oil Minister during 2011-2013. In September 2009, the Guard bought a 50% stake in Iran Telecommunication Company at a cost of \$7.8 billion. The *Wall Street Journal* reported on May 27, 2014, that Khatam ol-Anbia has \$50 billion in contracts with the Iranian government, including in the energy sector but also in port and highway construction. It has as many as 40,000 employees.

On October 21, 2007, the Department of the Treasury designated the IRGC as a whole, the Ministry of Defense, several IRGC commanders, and several IRGC companies as proliferation entities under Executive Order 13382. Simultaneously, the Qods Force was named as a terrorism supporting entity under Executive Order 13224. These orders freeze the U.S.-based assets and prevent U.S. transactions with the named entities, but these entities are believed to have virtually no U.S.-based assets. On June 9, 2011, the IRGC and Basij were named as human rights abusers under Executive Order 13553, with the same penalties as the above Executive Orders. The United States did not remove any IRGC-related designations under the JCPOA, but the EU will be doing so in about eight years.

**Sources:** Frederic Wehrey et al., "The Rise of the Pasdaran," Rand Corporation, 2009; Katzman, Kenneth, "The Warriors of Islam: Iran's Revolutionary Guard," Westview Press, 1993; Department of the Treasury; [http://www.newyorker.com/reporting/2013/09/30/130930fa\\_fact\\_filkins?printable=true&currentPage=all](http://www.newyorker.com/reporting/2013/09/30/130930fa_fact_filkins?printable=true&currentPage=all).

## U.S. Policy Responses and Options

The varied threats to U.S. interests posed by Iran have engendered a complex mixture of U.S. responses and consideration of further options, as discussed in the sections below.

## **Obama Administration Policy: Pressure Coupled with Engagement**

Upon taking office, President Obama asserted that there was an opportunity to persuade Iran to limit its nuclear program through diplomacy and to potentially re-build a U.S.-Iran relationship after decades of mutual animosity. Some Obama Administration officials expressed skepticism that engagement would change Iran's policies, while other officials argued that the United States needed to present Iran with a clearer choice between the consequences of refusing to address international demands on its nuclear program and the benefits of accepting limitations.

The Administration approach emerged in President Obama's first message to the Iranian people on the occasion of Nowruz (Persian New Year) on March 21, 2009. He stated that the United States "is now committed to diplomacy that addresses the full range of issues before us, and to pursuing constructive ties among the United States, Iran, and the international community." He also referred to Iran as "The Islamic Republic of Iran," a formulation generally signaling opposition to trying to change Iran's regime. Other steps included the following.

- President Obama's reported two letters in 2009 to Iran's Supreme Leader expressing the Administration's philosophy in favor of engagement with Iran. Additional letters were exchanged subsequently, according to President Obama.
- A major speech to the "Muslim World" in Cairo on June 4, 2009, in which President Obama acknowledged that the United States had played a role in the overthrow of Mossadeq, and said that Iran had a right to peaceful nuclear power if it complies with its responsibilities under the NPT.
- A loosening of restrictions on U.S. diplomats to meet their Iranian counterparts at international meetings.

### ***2009-2013: Emphasis on Economic Pressure***

At the end of 2009, Iran's crackdown on the election-related unrest that year and its refusal to accept compromises to limit its nuclear program caused the Administration to shift to a "two track strategy:" stronger economic pressure coupled with nuclear negotiations that offered the prospect of sanctions relief. The sanctions imposed during 2010 and 2013 received broad international support and cooperation and caused economic difficulty in Iran (see CRS Report RS20871, *Iran Sanctions*, by Kenneth Katzman). The Administration also altered some trade regulations to help Iranians circumvent their government's restrictions on Internet usage, and funded exchanges with civil society activists in Iran. The Administration repeatedly stated that a military option is "on the table" and it continued defense cooperation with the Persian Gulf states and other allies.

It also has been widely reported that in early 2013, the Administration began direct but unpublicized talks with Iranian officials in the Sultanate of Oman to probe Iran's willingness to reach a comprehensive nuclear accord.<sup>38</sup> The talks reportedly began shortly after Vice President Biden publicly expressed U.S. willingness to talk directly with Iran on the nuclear issue.

### ***2013-Present: Rouhani as U.S. Counterpart***

The election of Hassan Rouhani in June 2013 contributed to an Administration shift to emphasizing diplomacy rather than additional sanctions. On September 20, 2013, on the eve of U.N. General Assembly meetings, the *Washington Post* published an op-ed by Rouhani stating a

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<sup>38</sup> <http://www.al-monitor.com/pulse/originals/2015/08/iran-us-nuclear-khamenei-salehi-jcpoa-diplomacy.html#>.

commitment to engage in constructive interaction with the world. President Obama, in his September 24, 2013, speech, confirmed that he had exchanged letters with Rouhani stating the U.S. willingness to resolve the nuclear issue peacefully and that the United States “[is] not seeking regime change.”<sup>39</sup> An Obama-Rouhani meeting did not occur, possibly because Rouhani sought to avoid angering hardliners in Iran, but President Obama called Rouhani by phone on September 27, 2013—the first direct contact between presidents of the two countries since the 1979 revolution. Since then, the United States and Iran have held bilateral meetings at the margins of all nuclear talks and in other settings, covering regional as well as bilateral issues. President Obama met Foreign Minister Zarif at the September 2015 General Assembly sessions.

*Post-JCPOA U.S.-Iran Relations.* President Obama has expressed hope that the JCPOA would “usher[] in a new era in U.S.-Iranian relations,”<sup>40</sup> but he and other senior U.S. officials have said that the JCPOA benefits U.S. national security whether or not U.S.-Iran relations improve. Subsequent actions by Iran, as well as Iranian perceptions of some U.S. actions, appear to have prevented any broad warming of U.S.-Iran relations, although some developments could yet cause relations to improve.

- In December 2015, Iranian officials accused the United States of violating the JCPOA by imposing new visa requirements in the FY2016 Consolidated Appropriations Act (P.L. 114-113). The provision imposed limits on the “Visa Waiver Program” to require citizens of or persons who visited Iran, Iraq, Syria, or Sudan in the past five years to obtain a visa. Iranian officials argued that the provision will cause European businessmen to hesitate to travel to Iran and thereby limit re-engagement in Iran’s economy. The provision gives the Secretary of Homeland Security waiver authority, and Secretary of State Kerry wrote a letter to Foreign Minister Zarif on December 19, 2015, stating that the new provision can be implemented by the United States so as not to interfere with “legitimate business interests of Iran.”
- In January 2016, Secretary Kerry worked with Foreign Minister Zarif to achieve the release by Iran within about one day of 10 U.S. Navy personnel who the IRGC took into custody when their two riverine crafts strayed into Iran’s territorial waters.
- Coinciding with the Implementation Day, and as a product of U.S.-Iran talks, most of the dual citizens held by Iran were released and a long-standing Iranian claim for funds paid for undelivered military equipment from the Shah’s era (which resulted in \$1.7 billion payment to Iran—\$400 million in foreign currency for the original DOD escrow monies and \$1.3 billion as an agreed amount of interest) was settled. Administration officials assert that the nuclear diplomacy provided an opportunity to resolve these lingering issues simultaneously. Some Members of Congress and other observers have criticized the simultaneous timing of the prisoner releases and the military equipment settlement as providing at least the appearance of paying “ransom” to Iran to release the U.S. dual nationals. Administration officials assert that it has long been assumed that the United States would need to return monies to Iran and settle the case of the undelivered military equipment.

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<sup>39</sup> Remarks by President Obama in Address to the United Nations General Assembly, September 24, 2013.

<sup>40</sup> Roger Cohen. “U.S. Embassy, Tehran.” *New York Times*, April 8, 2015.



- In March 2016, the United States indicted seven Iranians, none of whom are in U.S. custody, on charges of organizing cyberattacks on critical U.S. infrastructure, including a dam in upstate New York.
- Iran has conducted at least four ballistic missile tests since the JCPOA was finalized in 2015. The tests have prompted additional U.S. designations for sanctions of entities that support Iran's program and the Administration—and the U.N. Secretary-General—have called the tests inconsistent with Resolution 2231. In a July 12, 2016, report, the U.N. Secretary-General also called Iran's continued shipments of arms to Houthi rebels in Yemen and to Lebanese Hezbollah, as well as its exhibit of arms at weapons fair in Baghdad, as potential violations of Resolution 2231. Overall, U.S. officials assert that Iran's regional behavior has not changed significantly since the JCPOA.
- Khamene'i and his hardline followers have stated repeatedly that the JCPOA will not change Iran's foreign policy or its opposition to U.S. policy in the region. On several occasions since April 2016, Khamene'i has accused the U.S. of deterring foreign banks from re-entering the Iran market and of bullying Iran through its military presence in the Gulf. In May 2016, deputy IRGC commander Hossein Salami threatened to retaliate against any U.S. forces that attack or threaten Iran and Iran has since reiterated threats to close the Strait of Hormuz if attacked.
- In June 2016, Boeing Corporation and Iran Air announced a tentative sale to Iran of 80 passenger aircraft and leasing of another 29. The total estimated value of the transaction, if completed, is about \$25 billion. For more information, see CRS Insight IN10515, *Proposed Boeing Aircraft Sale to Iran*, by Kenneth Katzman, Shayerah Ilias Akhtar, and Dianne E. Rennack. However, there are no open discussions of direct flights between Iran and the United States.
- *Diplomatic Representation and Direct Flights.* According to U.S. officials, there is no discussion of any enhancements of mutual diplomatic representation, including a visit to Iran by Secretary of State Kerry or the posting of U.S. nationals to staff the U.S. interests section in Tehran. However, in May 2015, near the conclusion of the JCPOA talks, the two governments confirmed that they had granted each other permission to move their respective interests sections in Washington, DC, and in Tehran to more spacious locations.

As an example of the way in which past injuries continue to affect the relationship, in early 2014, Iran appointed one of those involved in the 1979 seizure of the U.S. embassy in Tehran—Hamid Aboutalebi—as ambassador to the United Nations. In April 2014, Congress passed S. 2195 (P.L. 113-100), which gave the Administration authority to deny him a visa to take up his duties. The United States subsequently announced he would not be admitted to the United States and Iran replaced him with Gholam Ali Khoshroo, who studied in the United States and served in the reformist government of president Khatemi.

## **Military Options and U.S. Defense Posture in the Persian Gulf**

Successive U.S. Administrations have sought to back up diplomacy with Iran with a capability to exercise military options if necessary. Prior to the JCPOA, President Obama repeatedly stated that “all options are on the table” to prevent Iran from acquiring a nuclear weapon, including military



action against Iran's nuclear facilities.<sup>41</sup> President Obama has repeated several times since the JCPOA was finalized that this option remains available should Iran violate the agreement or seek to develop a nuclear weapons after the primary JCPOA restrictions expire.<sup>42</sup> U.S. officials have articulated that U.S. military action against Iran might also be used if (1) Iran attacks or prepares to attack U.S. allies; or (2) Iran attempts to interrupt the free flow of oil or shipping in the Gulf. S.J.Res. 41, which passed the Senate on September 22, 2012, in the 112<sup>th</sup> Congress, rejects any U.S. policy that relies on "containment" of a potential nuclear Iran, but acknowledges that President Obama has ruled out a containment policy.

Supporters of military action argued that such action could set back Iran's nuclear program substantially because there are a limited number of key targets and that all of them, even the hardened Fordow site, are vulnerable to U.S. air power.<sup>43</sup> Some argue that there are U.S. military options that would not require hostilities, including a naval embargo or a "no-fly zone" to pressure the regime. A U.S. ground invasion to remove Iran's regime was not, at any time, apparently under serious consideration.

The Administration argues that military action was not a preferable alternative to the JCPOA because military action would only set back Iran's nuclear advancement temporarily, and with far less certainty or duration than the JCPOA. Senior U.S. officials and officials from U.S. allied countries stressed the potential adverse consequences of military action, such as Iranian retaliation that might expand throughout the region, a reduction of Iran's regional isolation, a strengthening of Iran's regime domestically, and an escalation of world oil prices.<sup>44</sup>

A U.S. decision to take military action against Iran's nuclear facilities might raise the question of presidential authorities. No legislation has been passed by both chambers and signed into law limiting the President's authority to use military force against Iran. In the 109<sup>th</sup> Congress, H.Con.Res. 391 (introduced on April 26, 2006) called on the President to not initiate military action against Iran without first obtaining authorization from Congress. A similar bill, H.Con.Res. 33, was introduced in the 110<sup>th</sup> Congress. An amendment to H.R. 1585, the National Defense Authorization Act for FY2008, requiring authorization for force against Iran, was defeated 136 to 288. A provision that sought to bar the Administration from taking military action against Iran without congressional authorization was taken out of an early draft of an FY2007 supplemental appropriation (H.R. 1591). The FY2011 Defense Authorization Act (P.L. 111-383, signed January 7, 2011) contained a provision (§1243) requiring the Administration to develop a "National Military Strategy to Counter Iran." Some proposals in the 114<sup>th</sup> Congress would authorize the use of force against Iran if Iran violates its commitments under the JCPOA (H.J.Res. 62, H.J.Res. 65).

## **U.S. Military Presence and Security Partnerships in the Gulf**

Any U.S. military option against Iran would likely involve cooperation from the six Arab states of the Persian Gulf, all led by Sunni royal families and which share the Gulf and surrounding waterways with Iran. In 1981, perceiving a threat from revolutionary Iran and spillover from the

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<sup>41</sup> Jeffrey Goldberg, "Obama to Iran and Israel: 'As President of the United States, I Don't Bluff'," *The Atlantic*, March 2, 2012.

<sup>42</sup> Speech by President Obama at American University. August 7, 2015. President Obama Interview with CNN's Fareed Zakaria. Broadcast on August 9, 2015.

<sup>43</sup> Joby Warrick, "Iran: Underground Sites Vulnerable, Experts Say," *Washington Post*, March 1, 2012. For an extended discussion of U.S. air strike options on Iran, see Rogers, Paul. *Iran: Consequences Of a War*. Oxford Research Group, February 2006.

<sup>44</sup> <http://2scottmontgomery.blogspot.com/2011/12/panetta-brookings-speech.html>.

Iran-Iraq War that began in September 1980, the six Gulf states—Saudi Arabia, Kuwait, Bahrain, Qatar, Oman, and the United Arab Emirates—formed an alliance called the Gulf Cooperation Council (GCC). U.S.-GCC security cooperation, developed during the 1980-1988 Iran-Iraq War, expanded significantly after the 1990 Iraqi invasion of Kuwait. Whereas prior to 2003 the extensive U.S. presence in the Gulf was also intended to contain Saddam Hussein's Iraq, with Iraq militarily weak since the fall of Saddam Hussein, the U.S. military presence in the Gulf is focused mostly on containing Iran and protecting the GCC states from the Iranian threat. The GCC leaders also accuse Iran of fomenting unrest among Shiite communities in the GCC states, particularly those in the Eastern Provinces of Saudi Arabia and in Bahrain, which has a majority Shiite population

Cooperation with the GCC states enables the United States to maintain a large U.S. military presence in the Gulf. Since the U.S. withdrawal from Iraq in 2011, there have been about 35,000 forces in the Gulf region. Most of them are stationed at various facilities in the GCC states that the United States has access to in accordance with formal defense cooperation agreements (DCAs) with Kuwait, Bahrain, Qatar, and the UAE; a facilities access agreement with Oman; and several memoranda of understanding providing for defense cooperation with Saudi Arabia. Some U.S. forces in the Gulf are aboard the at least one U.S. aircraft carrier task force that is in the Gulf region virtually continuously, not only to preserve Gulf security but also to conduct operations in Iraq and Syria against the Islamic State organization. U.S. defense agreements with the Gulf states also reportedly provide for the United States to preposition substantial military equipment, to train the GCC countries' forces; to sell arms to those states; and, in some cases, for consultations in the event of a major threat to the state in question.<sup>45</sup> Section 1234 of the FY2016 NDAA (P.L. 114-92) required a report within 120 days of enactment (the law was signed December 1, 2015, making the report due by March 30, 2016) on any U.S. security commitments to Middle Eastern countries, including the GCC, and the U.S. force posture required for those commitments.

U.S. arms sales to the GCC countries have been intended to improve their air and naval capabilities and their interoperability with U.S. forces, as well as to improve border and maritime security. The United States has continued to agree to major sales to virtually all of the GCC states, including such equipment as combat aircraft, precision-guided munitions, Littoral Combat Ships, radar systems, and communications gear.

### *Specific Agreements with and U.S. Military Presence in GCC Countries*<sup>46</sup>

- *Saudi Arabia.* The United States does not have a DCA with Saudi Arabia; however, under memoranda of understanding, a few hundred U.S. military personnel are in Saudi Arabia training its military, Saudi Arabia National Guard (SANG), and Ministry of Interior forces. The Saudi force has about 225,000 active duty personnel, with about 600 tanks, of which 200 are U.S.-made M1A2 "Abrams" tanks. The Saudi Air Force relies on the U.S.-made F-15.
- *Kuwait.* The United States has had a DCA with Kuwait since 1991, and over 13,000 U.S. Army personnel are stationed there, providing ground combat

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<sup>45</sup> The texts of the DCAs and related agreements are classified, but general information on the provisions of the agreements has been provided in some open sources, including <http://www.strategicstudiesinstitute.army.mil/pdffiles/pub185.pdf>.

<sup>46</sup> The U.S. deployments in the Gulf are discussed in greater detail in CRS reports on the individual GCC states. Information in this section is derived from author visits to the GCC states since 1993 and conversations with U.S. and Gulf state diplomats. See also: International Institute for Strategic Studies, "The Military Balance, 2015."

capability. Kuwait hosts the U.S.-led headquarters for Operation Inherent Resolve (OIR), the military component of the multilateral campaign against the Islamic State. U.S. forces operate from such facilities as Camp Arifjan, south of Kuwait City, where the United States prepositions ground armor including M1A2 Abrams tanks. U.S. forces train at Camp Buehring, about 50 miles west of the capital, and use several Kuwaiti air bases. Kuwait has a small force of about 15,000 active military personnel. Its Air Force relies almost exclusively on U.S. equipment, including Abrams tanks and F/A-18 combat aircraft. Kuwait reportedly seeks to buy an additional 24 F-18s, and press reports indicate that the Administration will soon approve the sale, subject to congressional concurrence.

- *Qatar.* The United States has had a DCA with Qatar since 1992, which was revised in December 2013. About 5,000 U.S. forces, mostly Air Force, are in Qatar, manning the forward headquarters of U.S. Central Command (CENTCOM), which has responsibility for the Middle East and Central Asia; a Combined Air Operations Center (CAOC) that oversees U.S. combat aircraft missions in the region; the large Al Udeid Air Base; and the *As Saliyah* army prepositioning site where U.S. tanks are prepositioned. Qatar's armed force is small with about 12,000 active military personnel. Qatar has historically relied on French military equipment, fielding AMX-30 tanks and Mirage combat aircraft. In May 2015, during a visit to the Gulf by French President Francois Hollande, Qatar agreed to buy 24 French-made Rafale fighter jets worth about \$7 billion.<sup>47</sup> Qatar reportedly has asked the United States to buy up to 72 F-15s, but the Department of Defense has not cleared that potential sale apparently out of concerns about upholding the U.S. commitment to maintaining Israel's Qualitative Military Edge (QME).<sup>48</sup> As is the case with Kuwait, the potential sale of F-15s to Qatar reportedly is reportedly close to approval.
- *UAE.* The United States has had a DCA with UAE since 1994. About 5,000 U.S. forces, mostly Air Force and Navy, are stationed in UAE, operating surveillance and refueling aircraft from Al Dhafra Air Base, and servicing U.S. Navy and contract ships which dock at the large commercial port of Jebel Ali. The UAE armed forces include about 63,000 active duty personnel. Its ground forces use primarily French tanks such as the Leclerc purchased in the 1990s and the AMX-30, but its air forces are equipped with F-16s the country has bought from the United States in recent years. The UAE has stated that it wants to buy the F-35 Joint Strike Fighter, but U.S. officials have stated that the system will not be approved for sale to the GCC for at least several years after the aircraft is delivered to Israel, apparently based on U.S. policy to maintain Israel's Qualitative Military Edge.
- *Bahrain.* The United States has had a DCA with Bahrain since 1991. About 6,000 U.S. personnel, mostly Navy, operate out of the large Naval Support Activity facility that houses the U.S. command structure for U.S. naval operations in the Gulf. U.S. Air Force personnel also access Shaykh Isa Air Base. Bahrain has the smallest military in the Gulf, with only about 6,000 active personnel, but it has internal security forces under the Ministry of Interior with about 11,000

<sup>47</sup> France and Qatar Seal \$7 Billion Rafale Fighter Jet Deal. Reuters, April 30, 2015.

<sup>48</sup> Defense News, February 28, 2016. <http://www.defensenews.com/story/defense/air-space/air-force/2016/02/28/israels-angst-over-qatar-sale-could-end-boeings-f-15-line/80895346/>.

personnel. The United States has given Bahrain older model U.S. M60A3 tanks and a frigate ship as “excess defense articles,” and the country has bought U.S.-made F-16s with national funds. The focus of U.S. arms sales to Bahrain since an uprising there in 2011 has been equipment only for external defense, particularly defense of Bahrain’s coast.

- *Oman.* The United States has had a “facilities access agreement” with Oman since April 1980, under which a few hundred U.S. forces (mostly Air Force) are deployed at and have access to Omani air bases such as those at Seeb, Masirah Island, Thumrait, and Musnanah. Oman has a 25,000-person force that has historically relied on British-made military equipment. The United States has provided some M60A3 tanks as excess defense articles, and Oman has bought F-16s using national funds.

The United States has sought to promote greater defense cooperation among the GCC states, particularly by attempting to deal with the GCC countries as a bloc, rather than individually. However, suspicions and differences among the GCC states have slowed implementation of that concept to date. In the past few years, at their annual summit held each December, the GCC leaders have formally supported suggestions by Saudi Arabia to form a unified GCC military command structure, but there has been little implementation of that plan, to date.

Experts often question the level of training and expertise of the Gulf military forces. Some of the GCC states rely heavily on foreign troops, such as Pakistanis serving under contract. On the other hand, some police units in Bahrain and some UAE forces have acquired sufficient expertise to help U.S. forces in missions to stabilize Afghanistan. And, Gulf state air forces have contributed to recent U.S.-led operations in the region, such as against the Islamic State. Some GCC ground forces have fought ably in Yemen, pushing back Houthi rebels on several fronts.

*Assistance Issues.* The GCC states are considered wealthy states, and several of them have higher per capita GDP than does the United States itself. The two least wealthy GCC states, Bahrain and Oman, are subsidized to some extent by the wealthier GCC countries. Only Bahrain and Oman receive significant amounts of U.S. military assistance, and the amounts they receive are miniscule compared to military aid to such other Arab allies of the United States as Egypt or Jordan. For FY2016, the Administration is providing only about \$5.5 million in military and counterterrorism/border security aid to Oman, and about \$8 million for Bahrain. For FY2017, for Bahrain, the Administration has requested \$5 million in Foreign Military Financing (FMF), \$800,000 in military training and education funds (IMET), and \$800,000 for counterterrorism/border security programs (NADR). For Oman in FY2017, the Administration has requested \$2 million in IMET and \$2 million for counterterrorism/border security (NADR).

## **U.S.-GCC Consultations, Differences, and Programs that Address Iran**

Negotiating and implementing the JCPOA has introduced some differences between the GCC and the United States on Iran. The GCC leaders express concerns that the JCPOA could weaken the U.S. commitment to Gulf security. Addressing these concerns, President Obama, upon announcing the April 2, 2015, framework of a JCPOA, invited GCC leaders to Camp David to discuss Gulf security. The meetings were held May 13-14, 2015, between President Obama and two Gulf leaders (Amir of Kuwait and of Qatar) and leadership delegations of the other four GCC countries. A joint statement issued after the summit announced a new U.S.-GCC strategic partnership and reiterated that it is U.S. policy to use all elements of U.S. national power to secure core U.S. interests in the Gulf and to deter and confront external aggression “against our allies and partners ...” An annex to the joint statement says that the United States will increase security cooperation with the GCC states in the following ways: (1) facilitating U.S. arms

transfers to the GCC states; (2) increased U.S.-GCC cooperation on maritime security, cybersecurity, and counterterrorism; (3) organizing additional large-scale joint military exercises and U.S. training; and (4) stating a renewed commitment to a concept of a Gulf-wide ballistic missile defense capability, which the United States has sought to promote in recent years.<sup>49</sup> The joint statement highlighted joint efforts to counter Iran's "malign influence" in the region as well as a commitment to defeating the Islamic State and to countering violent extremism more broadly.

In subsequent meetings with U.S. officials, the GCC states publicly expressed support for the JCPOA. An August 3, 2015, joint U.S.-GCC statement said that "the [Foreign] Ministers agreed that, once fully implemented, the JCPOA contributes to the region's long-term security, including by preventing Iran from developing or acquiring a military nuclear capability."<sup>50</sup> Following the September 4, 2015 meeting between King Salman and President Obama at the White House, the two leaders issued a joint statement that, among other provisions, expressed Saudi support for the JCPOA, affirmed the need to continue efforts to counter Iran's destabilizing regional activities, and indicated that the two countries discussed "fast-tracking" the provision of U.S. military equipment to Saudi Arabia and increasing cooperation on counterterrorism, maritime security, cybersecurity, and ballistic missile defense.<sup>51</sup>

Within weeks of the December 2015 GCC summit, the inherent tensions between the GCC, particularly Saudi Arabia, and Iran flared anew. In January 2016, Saudi Arabia severed its diplomatic relations, air connections, and trade with Iran in the wake of violent attacks and vandalism against its embassy in Tehran and consulate in Mashhad, Iran. The incidents in Iran occurred after Saudi Arabia executed an outspoken Shiite cleric named Nimr Baqr al Nimr alongside dozens of Al Qaeda members on January 2, 2016: all had been convicted of treason and/or terrorism charges. Subsequently, Saudi Arabia and Bahrain formally broke diplomatic relations with Iran. Qatar, Kuwait, and UAE recalled their ambassadors from Iran. Alone among the GCC states, Oman did not alter its formal diplomatic relations with Iran at all, although it did criticize the sacking of the Saudi facilities in Iran. In March 2016, following on the schism over the Nimr execution, as well as concerns about Iranian support to President Bashar Al Assad of Syria, the GCC declared Hezbollah as a terrorist organization. The GCC states also banned or advised against travel by their citizens to Lebanon. In mid-March 2016, and IRGC adviser to Supreme Leader Khamene'i inflamed GCC fears by asserting that Iran should "annex" Bahrain.

The United States and the GCC states continued to discuss Iran, as well as other regional issues, at the second U.S.-GCC summit held in Riyadh on April 21, 2016. The summit affirmed commitment to the various programs and policies announced at the 2015 U.S.-GCC summit. However, President Obama's attendance at the summit was, in large part, focused on narrowing U.S.-Saudi differences on a wide range of issues including Iran, Syria, Yemen, Saudi human rights policies, and other issues. No specific new arms sales were announced, but State Department Office of Political-Military Affairs spokesman David McKeeby said on March 25, 2016, that the United States has authorized more than \$33 billion in arms sales to the six GCC states since the 2015 Camp David meeting.<sup>52</sup>

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<sup>49</sup> <https://www.whitehouse.gov/the-press-office/2015/05/14/annex-us-gulf-cooperation-council-camp-david-joint-statement>.

<sup>50</sup> Department of State. Joint Statement of the U.S.-GCC Foreign Ministers Meeting. August 3, 2015.

<sup>51</sup> <https://www.whitehouse.gov/the-press-office/2015/09/04/joint-statement-meeting-between-president-barack-obama-and-king-salman>.

<sup>52</sup> <http://www.defensenews.com/story/defense/policy-budget/budget/2016/03/25/state-33-billion-gcc-weapon-sales-11-months/82255660/>.



The post-JCPOA U.S.-GCC meetings and agreements continue a long process of formalizing a U.S.-GCC strategic partnership, including the “U.S.-GCC Strategic Dialogue” inaugurated in March 2012. Earlier, in February 2010, then-Secretary Clinton also raised the issue of a possible U.S. extension of a “security umbrella” or guarantee to regional states against Iran.<sup>53</sup> The GCC states reportedly had sought such a commitment at the 2015 Camp David summit, but the joint statement instead stated that

In the event of [ ] aggression or the threat of [ ] aggression [against the GCC states], the United States stands ready to work with our GCC partners to determine urgently what action may be appropriate, using the means at our collective disposal, including the potential use of military force, for the defense of our GCC partners.<sup>54</sup>

### ***U.S.-GCC Cooperation against Iran's Regional Activities***

The United States and the GCC have partnered on several operations intended to counter Iran's regional influence. The most prominent of them include:

- U.S. logistical and intelligence support for Saudi-led military efforts to counter an offensive by Zaidi Shiite “Houthi” rebels in Yemen, a group that receives some Iranian materiel support. U.S. naval forces have, on at least three occasions in 2016, helped block seaborne Iranian weapons shipments to the Houthis. At the April 2016 U.S.-GCC summit in Riyadh, the United States and GCC agreed to conduct joint naval patrols to block such shipments.
- In Syria, the GCC states are providing funds and arms to rebel forces fighting the Assad government. The United States is supporting some anti-Assad rebel groups and has stated that Assad's removal from office and the formation of a transition government is required to stabilize Syria and defeat the Islamic State.
- Iran is not part of the U.S.-led coalition against the Islamic State, but works separately against that organization in Iraq and, to a lesser extent, in Syria. Several GCC countries have participated in the U.S.-led airstrikes against the Islamic State in Syria, and U.S. forces leading the anti-Islamic State effort are using their long-standing access to GCC military facilities discussed below. However, the GCC air forces have limited their strikes to Syria in part because they appear to view the Shiite-dominated government of Iraq as aligned with Iran and repressive of Sunni Iraqis.

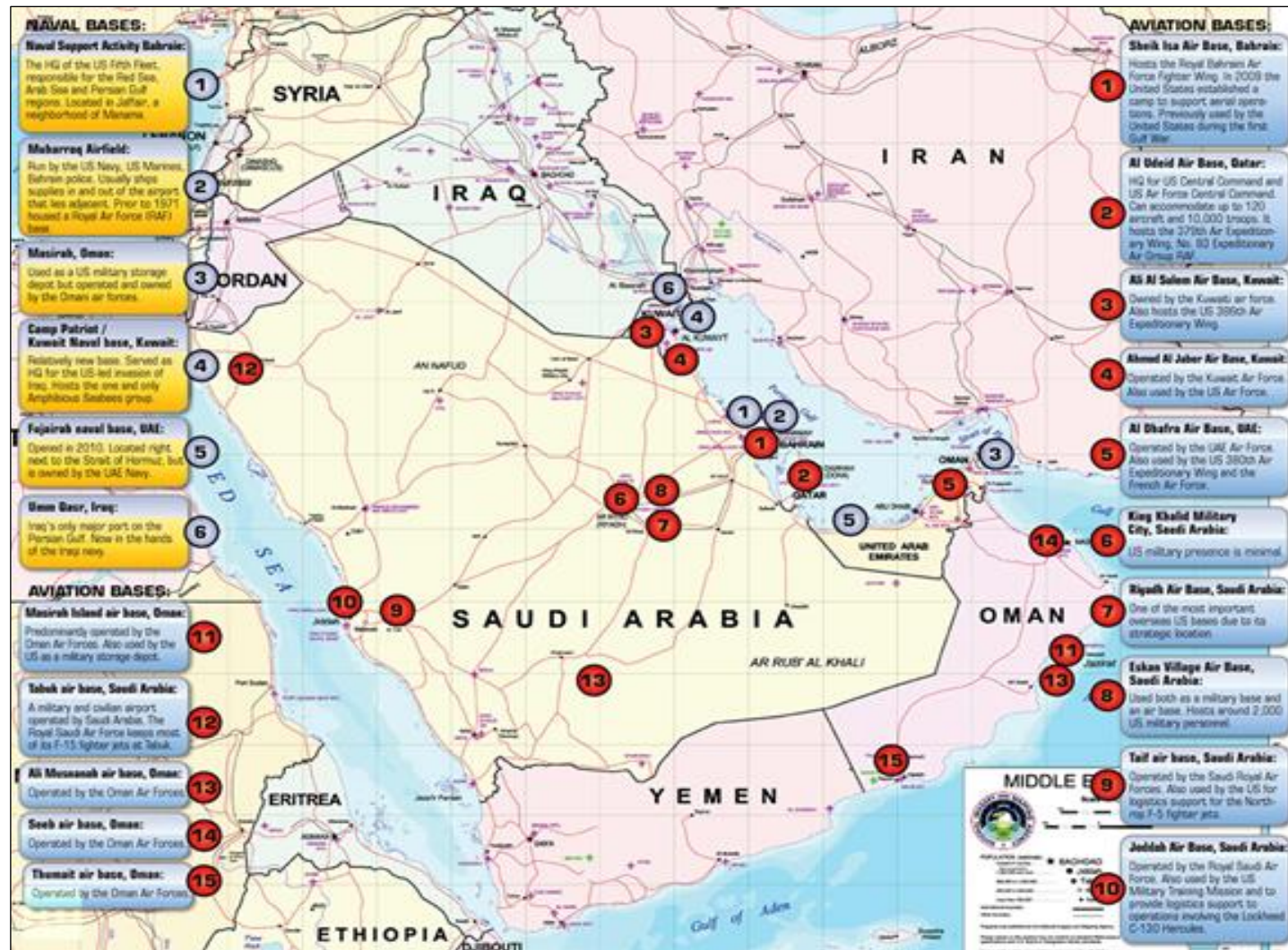
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<sup>53</sup> Paul Richter and Alexandra Davis. “U.S. Promises to Beef Up Defense Aid to Persian Gulf Allies.” *Los Angeles Times*, April 7, 2015.

<sup>54</sup> <https://www.whitehouse.gov/the-press-office/2015/05/14/us-gulf-cooperation-council-camp-david-joint-statement>.



Figure I. Major Persian Gulf Military Facilities



Source: <http://www.darkgovernment.com/news/wp-content/uploads/2012/01/persian-gulf.jpg>.

### ***Coordinated Missile Defense***

Successive U.S. Administrations have sought to organize a coordinated GCC missile defense system, building on the individual capabilities and purchases of each GCC country. Secretary of Defense Hagel emphasized this concept during December 2013 and May 2014 visits to the Gulf, including stating that the United States prefers to sell related equipment to the GCC as a bloc, rather than individually. As part of this effort, there have been several recent missile defense sales including PAC-3 sales to UAE, Kuwait, and Saudi Arabia; and the advanced “THAAD” (Theater High Altitude Area Defense) to the UAE. Qatar reportedly is considering completing an agreement to purchase the THAAD, and Oman reportedly is negotiating to buy the THAAD as well. The THAAD was delivered to the UAE in December 2015. In September 2012, the United States emplaced an early-warning missile defense radar in Qatar that, when combined with radars in Israel and Turkey, would provide a wide range of coverage against Iran’s missile forces.<sup>55</sup>

Separate from the efforts to forge a Gulf-wide missile defense, the United States has sought a defense against an eventual long-range Iranian missile system. In August 2008, the George W. Bush Administration reached agreements with Poland and the Czech Republic to establish a missile defense system to counter Iranian ballistic missiles. These agreements were reached over Russia’s opposition, which was based on the belief that the missile defense system would be used to neutralize Russian capabilities. However, reportedly based on assessments of Iran’s focus on missiles of regional range, on September 17, 2009, the Obama Administration reoriented this missile defense program to focus on ship-based systems and systems based in other European countries, including Romania. The FY2013 national defense authorization act (P.L. 112-239) contained provisions urging the Administration to undertake more extensive efforts, in cooperation with U.S. partners and others, to defend against the missile programs of Iran (and North Korea).

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<sup>55</sup> David Sanger and Eric Schmitt, “To Calm Israel, U.S. Offers Ways to Restrain Iran,” *New York Times*, September 3, 2012.

**Table 6. Military Assets of the Gulf Cooperation Council Member States**

	Bahrain	Kuwait	Oman	Qatar	Saudi Arabia	UAE
Total Manpower	8,200+	15,500+	42,600+	11,800	227,000+	63,000
<b>ARMY and NATIONAL GUARD</b>						
Personnel	6,000	11,000	25,000	8,500	175,000	44,400
Main Battle Tanks	180	293	154	39	600	467
AIFV/APC	225	789	206	230	3,011	1,957
Artillery	151	218	233	91+	771	579+
Attack Helicopters	—	—	—	—	15	—
SAMs	91	136+	48	75	1,805	N/A
<b>NAVY</b>						
Personnel	700	2,000	4,200	1,800	13,500	2,500
Destroyers /Frigates	1	—	3	—	7	—
Submarines	—	—	2	—	—	10
Patrol/Coastal Combatants	64	52	46	23	83	141
Amphibious Landing Craft	1	4	—	—	8	—
<b>AIR FORCE</b>						
Personnel (Air Defense)	1,500	2,500	5,000	1,500	20,000 (16,000)	4,500
Fighter Aircraft	33	39	15	12	261	138 (18 JAC)
Attack Helicopters	28	16	—	8	—	37 (JAC)
<b>MISSILE DEFENSE</b>						
Patriot PAC-2	Yes	Yes	—	Yes	Yes	Yes
Patriot PAC-3	Yes	Yes	—	Yes	Yes	Yes
THAAD	—	—	—	Ordered	—	Ordered

**Source:** Compiled by Hector Pina using *The Military Balance*, 2015, Vol. 115, current as of February 10, 2015, published by the International Institute for Strategic Studies.

**Notes:** AIFV = Armored Infantry Fighting Vehicle, APC = Armored Personnel Carrier, SAM = Surface-to-Air Missile, THAAD = Terminal High Altitude Area Defense.

## **Potential for Israeli Military Action Against Iran<sup>56</sup>**

Prime Minister Benjamin Netanyahu of Israel has asserted that a nuclear-armed Iran would constitute an existential threat to Israel, and that Israel would take unilateral action to prevent a nuclear-armed Iran. Netanyahu opposed the JCPOA as a “historic mistake,” although President Obama asserted in early August 2016 that Israeli military and intelligence professionals have assessed the JCPOA as a net benefit for Israel’s security. Still, most outside experts consider an Israeli military strike on Iran unlikely as long as Iran continues to comply with the terms of the JCPOA. The JCPOA was endorsed by U.N. Security Council Resolution 2231 and a strike on Iran’s nuclear facilities in an environment of Iranian compliance with the JCPOA could potentially constitute a violation of that Resolution. Earlier, before the JPA or JCPOA, in May 2013, by a vote of 99-0, the Senate passed a “sense of Congress” resolution, S.Res. 65, that the United States should support Israel diplomatically, economically, and militarily if it felt compelled to strike Iran’s nuclear facilities. Still, statements and actions such as the September 2015 statement by Khamene’i that Israel would not likely exist in 25 years and Iran’s May 2016 “Holocaust cartoon festival” reinforce Israeli assertions about Iran.

Although Israeli strategists say that a strike might be a viable option, several U.S. experts doubt that Israel has the capability to make such action effective. The IAF is capable but far smaller than that of the United States, and could require overflight of several countries not likely to support Israeli action, such as Iraq.

## **Economic Sanctions**

The United States and its partners have employed economic sanctions to try to cause Iran to agree to limits on its nuclear program, to reassess the wisdom of supporting regional armed factions, and to limit Iranian power generally. In accordance with the JCPOA, U.S. secondary sanctions (sanctions on foreign companies that do business with Iran) on Iran’s major economic sectors have been waived or revoked. The sanctions issue, including those sanctions that remain in place, is analyzed in considerable depth in CRS Report RS20871, *Iran Sanctions*, by Kenneth Katzman.

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<sup>56</sup> This option is analyzed in substantial depth in CRS Report R42443, *Israel: Possible Military Strike Against Iran’s Nuclear Facilities*, coordinated by Jim Zanotti.

**Table 7. Selected Economic Indicators**

Population	About 80 million
Economic Growth	Negative 2% growth in 2013; 4% growth in 2014; about 1% growth in 2015. About 4%-4.5% expected for 2016.
Per Capita Income	\$17,800/yr (purchasing power parity) (2015)
GDP	\$1.38 trillion (purchasing power parity) (2015)
Proven Oil Reserves	135 billion barrels (highest after Russia and Canada)
Oil Production/Exports	About 1.1 mbd exports from 2013 - 2016. (About 1.3 mbd with condensates)
Major Oil/Gas Customers	Remaining customers: primarily China, India, South Korea, Japan, and Turkey. Turkey also buys 8.6 billion cubic meters/yr of gas from Iran.
Major Export Markets	Mirrors major oil customers.
Major Imports	Mirrors major oil customers.
Inflation Rate	About 15% in 2015, down from about 42% in 2013-2014. (Iranian government estimates.) Inflation estimated at "single digits" for 2016.
Unemployment Rate	About 11% (2015) (Iranian government estimates.)

**Sources:** CIA, *The World Factbook*; various press; IMF; Iran Trade Planning Division; CRS conversations with experts and foreign diplomats.

**Table 8. Summary of U.S. Sanctions Against Iran**

*Ban on U.S. Trade With and Investment in Iran.* Executive Order 12959 (May 6, 1995) bans almost all U.S. trade with and investment in Iran. P.L. 111-195 (Comprehensive Iran Sanctions, Accountability, and Divestment Act, CISADA) codifies the trade ban, which generally does not apply to foreign subsidiaries of U.S. firms. Generally remains in force.

*U.S. Sanctions Against Foreign Firms that Deal With Iran's Energy Sector.* The Iran Sanctions Act (P.L. 104-172) has been amended several times and authorizes the imposition of five out of a menu of twelve sanctions on firms determined to have: invested more than \$20 million to develop Iran's petroleum (oil and gas) sector; bought Iranian oil (unless such country has a sanctions exemption); sold Iran more than \$1 million worth of gasoline or equipment to import gasoline or refine oil into gasoline; sold \$1 million or more worth of energy equipment to Iran; provided shipping services to transport oil from Iran; engaged in an energy joint venture with Iran outside Iran; or bought Iran's sovereign debt. P.L. 112-239 sanctions most foreign dealings with Iran's energy, shipping, and shipbuilding sector, as well as the sale of certain items for Iranian industrial processes and the transfer to Iran of precious metals (often a form of payment for oil or gas). Waived in accordance with the JCPOA.

*Sanctions On Iran's Central Bank.* CISADA bans accounts with banks that do business with the IRGC and sanctioned entities and the Department of the Treasury in November 2011 declared Iran's financial system an entity of primary money laundering concern. Section 1245 of the FY2012 National Defense Act (P.L. 112-81) prevents foreign banks that do business with Iran's Central Bank from opening U.S. accounts unless the parent countries of the banks earn an exemption by "significantly reducing" their purchases of Iranian oil. These sanctions are mostly not applicable because most Iranian banks have been "de-listed" for sanctions.

*Terrorism List Designation Sanctions.* Iran's designation by the Secretary of State as a "state sponsor of terrorism" (January 19, 1984—commonly referred to as the "terrorism list") triggers several sanctions, including the following: (1) a ban on the provision of U.S. foreign assistance to Iran under Section 620A of the Foreign Assistance Act; (2) a ban on arms exports to Iran under Section 40 of the Arms Export Control Act (P.L. 95-92, as amended); (3) under Section 6(j) of the Export Administration Act (P.L. 96-72, as amended), a significant restriction—amended by other laws to a "presumption of denial"—on U.S. exports to Iran of items that could have military applications; (4) under Section 327 of the Anti-Terrorism and Effective Death Penalty Act (P.L. 104-132, April 24, 1996), a requirement that U.S. representatives to international financial institutions vote against international loans to terrorism list states. Remains in force.

*Sanctions Against Foreign Firms that Aid Iran's Weapons of Mass Destruction Programs.* The Iran-Syria-North Korea Nonproliferation Act (P.L. 106-178, March 14, 2000, as amended) authorizes the Administration to impose sanctions on foreign persons or firms determined to have provided assistance to Iran's weapons of mass destruction (WMD) programs. Sanctions include restrictions on U.S. trade with the sanctioned entity. Remains in force.

*Sanctions Against Foreign Firms that Sell Advanced Arms to Iran.* The Iran-Iraq Arms Nonproliferation Act (P.L. 102-484, October 23, 1992, as amended) provides for U.S. sanctions against foreign firms that sell Iran "destabilizing numbers and types of conventional weapons" or WMD technology. Remains in force.

*Ban on Transactions With Foreign Entities That Support International Terrorism.* Executive Order 13324 (September 23, 2001) authorizes a ban on U.S. transactions with entities determined to be supporting international terrorism. The Order was not specific to Iran, but several Iranian entities have been designated. Remains in force.

*Ban on Transactions With Foreign Entities that Support Proliferation.* Executive Order 13382 (June 28, 2005) amended previous executive orders to provide for a ban on U.S. transactions with entities determined to be supporting international proliferation. Numerous Iranian entities, including the IRGC itself, have been designated. Remains in force.

*Divestment.* A Title in P.L. 111-195 authorizes and protects from lawsuits various investment managers who divest from shares of firms that conduct sanctionable business with Iran. Remains in force.

*Sanctions Against Human Rights Abuses, Internet Monitoring, and Regional Activities.* Various laws and Executive Orders impose sanctions on named Iranian human rights abusers, on firms that sell equipment Iran can use to monitor the Internet usage of citizens or employ against demonstrators, and on Iranian persons or entities that suppress human rights in Syria or contribute to destabilizing Iraq. Remains in force.

**Source:** CRS. For analysis and extended discussion of U.S. and international sanctions against Iran, see CRS Report RS20871, *Iran Sanctions*, by Kenneth Katzman.



## Further Option: Regime Change

Even before the election of Rouhani, the Obama Administration has consistently sought to allay Iran's long-standing suspicions that the main U.S. goal is to unseat the Islamic regime in Iran. In a September 24, 2013, General Assembly speech, President Obama explicitly stated the United States does not seek to change Iran's regime. However, many of Iran's leaders, particularly Khamene'i, continue to articulate a perception that the United States has never accepted the 1979 Islamic revolution. Khamene'i and other Iranian figures note that the United States provided some funding to anti-regime groups, mainly pro-monarchists, during the 1980s,<sup>57</sup> and the George W. Bush Administration expressed support for regime change on several occasions.

There was criticism in Iranian opposition and other circles of the Administration decision not to materially support the 2009 domestic uprising in Iran. The Administration asserts that it was critical of the regime crackdown on protests and on December 28, 2009, President Obama stated that "Along with all free nations, the United States stands with those who seek their universal rights."<sup>58</sup> On September 19, 2010, then-Secretary of State Clinton asserted that overt and extensive U.S. support for the opposition could undermine the opposition's position in Iran.

Later, in 2011 and in the context of the broader Middle East uprisings, then-Secretary Clinton accused Iran of hypocrisy for supporting demonstrations in Egypt while preventing similar free expression inside Iran.<sup>59</sup> Many observers noted that President Obama's 2011 Nowruz address was far more explicitly supportive of the Iranian opposition than in prior years, mentioning specific dissidents who have been jailed and saying to the "young people of Iran ... I want you to know that I am with you."<sup>60</sup> Since that statement, the Administration has sanctioned Iranian officials for human rights abuses in Iran and for assisting Syria with its crackdown against demonstrations. These statements and steps appeared to stop well short of promoting regime change, but Iran leaders interpret any public support for the domestic opposition as evidence of U.S. intent to overthrow the government. The JCPOA would appear to represent a further sign of Administration acceptance of Iran's regime.

At times, some in Congress have advocated that the United States adopt a formal policy of overthrow of the regime. In the 111<sup>th</sup> Congress, one bill said that it should be U.S. policy to promote the overthrow of the regime (The Iran Democratic Transition Act, S. 3008).

## Democracy Promotion and Internet Freedom Efforts

In the absence of all-out U.S. pursuit of regime change, successive Administrations and Congress have promoted political evolution in Iran through "democracy promotion" and sanctions on Iranian human rights abuses. The laws and Executive Orders discussed in this section are analyzed in greater detail in CRS Report RS20871, *Iran Sanctions*, by Kenneth Katzman. That report also contains tables listing Iranian entities sanctioned under these provisions. Binding

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<sup>57</sup> CRS conversations with U.S. officials responsible for Iran policy. 1980-1990. After a period of suspension of such assistance, in 1995, the Clinton Administration accepted a House-Senate conference agreement to include \$18-\$20 million in funding authority for covert operations against Iran in the FY1996 Intelligence Authorization Act (H.R. 1655, P.L. 104-93), according to a *Washington Post* report of December 22, 1995. The Clinton Administration reportedly focused the covert aid on changing the regime's behavior, rather than its overthrow.

<sup>58</sup> White House, Office of the Press Secretary, "Statement by the President on the Attempted Attack on Christmas Day and Recent Violence in Iran," December 28, 2009.

<sup>59</sup> <http://www.whitehouse.gov/the-press-office/2011/02/27/statement-national-security-council-spokesman-tommy-vietor-iran>.

<sup>60</sup> White House, "Remarks of President Obama Marking Nowruz," March 20, 2011.

legislation authorizing democracy promotion in Iran was enacted in the 109<sup>th</sup> Congress. The Iran Freedom Support Act (P.L. 109-293), signed September 30, 2006, authorized funds (no specific dollar amount) for Iran democracy promotion.<sup>61</sup> Several laws and Executive Orders issued since 2010 are intended to promote Internet freedom, and the Administration has amended U.S.-Iran trade regulations to allow for the sale to Iranians of consumer electronics and software that help them communicate. Then Under Secretary of State Wendy Sherman testified on October 14, 2011, that some of the democracy promotion funding for Iran has been to train Iranians in the use of technologies that undermine regime Internet censorship efforts.

Many have argued that U.S. funding for such programs is counter-productive. Even before the post-2009 election crackdown, Iran was arresting civil society activists by alleging they are accepting the U.S. democracy promotion funds, while others have refused to participate in U.S.-funded programs, fearing arrest.<sup>62</sup> Perhaps to address these criticisms, the Obama Administration altered Iran democracy promotion programs somewhat toward working directly with Iranians inside Iran who are organized around apolitical issues as health, education, science, and the environment.<sup>63</sup> The State Department, which often uses appropriated funds to support pro-democracy programs run by organizations based in the United States and in Europe, refuses to name grantees for security reasons. The funds shown below have been obligated through DRL and the Bureau of Near Eastern Affairs in partnership with USAID. Some of the funds have also been used for cultural exchanges, public diplomacy, and broadcasting to Iran. A further indication of the sensitivity of specifying the use of the funds is that, since FY2010, the Obama Administration has requested funds for Iran democracy promotion as part of a broader “Near East regional democracy programs” rather than delineating a specific request for Iran programs.

Iran asserts that funding democracy promotion represents a violation of the 1981 “Algiers Accords” that settled the Iran hostage crisis and provide for non-interference in each other’s internal affairs. The George W. Bush Administration asserted that open funding of Iranian pro-democracy activists (see below) was a stated effort to change regime behavior, not to overthrow the regime, although some saw the Bush Administration’s efforts as a cover to achieve a regime change objective.

### ***Broadcasting/Public Diplomacy Issues***

Another part of the democracy promotion effort has been the development of Iran-specific U.S. broadcasting services to Iran. Radio *Farda* (“tomorrow,” in Farsi) began under Radio Free Europe/Radio Liberty (RFE/RL), in partnership with the Voice of America (VOA), in 2002. The service was established as a successor to a smaller Iran broadcasting effort begun with an initial \$4 million from the FY1998 Commerce/State/Justice appropriation (P.L. 105-119). It was to be called Radio Free Iran but was never formally given that name by RFE/RL. Based in Prague,

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<sup>61</sup> This legislation was a modification of H.R. 282, which passed the House on April 26, 2006, by a vote of 397-21, and S. 333, which was introduced in the Senate.

<sup>62</sup> Three other Iranian Americans were arrested and accused by the Intelligence Ministry of actions contrary to national security in May 2007: U.S. funded broadcast (Radio Farda) journalist Parnaz Azima (who was not in jail but was not allowed to leave Iran); Kian Tajbacksh of the Open Society Institute funded by George Soros; and businessman and peace activist Ali Shakeri. Several congressional resolutions called on Iran to release Esfandiari (S.Res. 214 agreed to by the Senate on May 24; H.Res. 430, passed by the House on June 5; and S.Res. 199 ). All were released by October 2007. Tajbacksh was rearrested in September 2009 and remains incarcerated.

<sup>63</sup> CRS conversation with U.S. officials of the “Iran Office” of the U.S. Consulate in Dubai, October 2009.

Radio *Farda* broadcasts 24 hours/day and has 59 full time employees. Its budget is approximately \$11 million per year. No U.S. assistance has been provided to Iranian exile-run stations.<sup>64</sup>

*VOA Persian Service (Formerly called Persian News Network (PNN)).* The VOA established a Persian language service to Iran in July 2003. Prior to 2014, it was called Persian News Network (PNN), encompassing radio (1 hour a day of original programming); television (6 hours a day of primetime programming, rebroadcast throughout a 24-hour period); and Internet. The service had come under substantial criticism from observers for losing much of its audience among young, educated, anti-regime Iranians who are looking for signs of U.S. official support. VOA officials told CRS in August 2014 that they have successfully addressed these issues through the human resources office of the VOA. VOA officials also have brought back a show that had particular appeal with audiences inside Iran—"Parazit" (Persian for static)—a comedy show modeled on Comedy Central's "The Daily Show." That show was cancelled in 2012 after its founder, Kambiz Hosseini, was taken off PNN early that year. A show that satirizes Iranian leaders and news from Iran—called On Ten—began in April 2012. According VOA briefings, costs for PNN are about \$20 million per year.

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<sup>64</sup> The conference report on the FY2006 regular foreign aid appropriations, P.L. 109-102, stated the sense of Congress that such support should be considered.

**Table 9. Iran Democracy Promotion Funding**

FY2004	Foreign operations appropriation (P.L. 108-199) earmarked \$1.5 million for “educational, humanitarian and non-governmental organizations and individuals inside Iran to support the advancement of democracy and human rights in Iran.” The State Department Bureau of Democracy and Labor (DRL) gave \$1 million to a unit of Yale University, and \$500,000 to National Endowment for Democracy.
FY2005	\$3 million from FY2005 foreign aid appropriation (P.L. 108-447) for democracy promotion. Priority areas: political party development, media, labor rights, civil society promotion, and human rights.
FY2006	\$11.15 for democracy promotion from regular FY2006 foreign aid appropriation (P.L. 109-102). \$4.15 million administered by DRL and \$7 million for the Bureau of Near Eastern Affairs.
FY2006 supp.	Total of \$66.1 million (of \$75 million requested) from FY2006 supplemental (P.L. 109-234): \$20 million for democracy promotion; \$5 million for public diplomacy directed at the Iranian population; \$5 million for cultural exchanges; and \$36.1 million for Voice of America-TV and “Radio Farda” broadcasting. Broadcasting funds are provided through the Broadcasting Board of Governors.
FY2007	FY2007 continuing resolution provided \$6.55 million for Iran (and Syria) to be administered through DRL. \$3.04 million was used for Iran. No funds were requested.
FY2008	\$60 million (of \$75 million requested) is contained in Consolidated Appropriation (H.R. 2764, P.L. 110-161), of which, according to the conference report \$21.6 million is ESF for pro-democracy programs, including non-violent efforts to oppose Iran’s meddling in other countries. \$7.9 million is from a “Democracy Fund” for use by DRL. The Appropriation also fully funded additional \$33.6 million requested for Iran broadcasting: \$20 million for VOA Persian service; and \$8.1 million for Radio Farda; and \$5.5 million for exchanges with Iran.
FY2009	Request was for \$65 million in ESF “to support the aspirations of the Iranian people for a democratic and open society by promoting civil society, civic participation, media freedom, and freedom of information.” H.R. 1105 (P.L. 111-8) provides \$25 million for democracy promotion programs in the region, including in Iran.
FY2010	\$40 million requested and used for Near East Regional Democracy programming. Programs to promote human rights, civil society, and public diplomacy in Iran constitute a significant use of these region-wide funds.
FY2011	\$40 million requested and will be used for Near East Regional Democracy programs. Programming for Iran with these funds to be similar to FY2010.
FY2012	\$35 million for Near East Regional Democracy (NERD), and Iran-related use similar to FY2010 and FY2011.
FY2013	\$30 million for NERD, with Iran use similar to prior two fiscal years.
FY2014	\$30 million for NERD, with Iran use similar to prior fiscal years.
FY2015	\$30 million for Near East Regional Democracy, with Iran use similar to previous years. Request mentions funding to be used to help circumvent Internet censorship.
FY2016	\$30 million for NERD, with Iran use likely similar to prior years.
FY2017	\$30 million for NERD, with Iran use similar to prior years.

**Sources:** Information provided by State Department and reviewed by Department’s Iran Office, February 1, 2010; State Department Congressional Budget Justifications; author conversation with Department of State Iran Office, April 21, 2011.

### ***State Department Public Diplomacy Efforts***

The State Department also is trying to enhance its public diplomacy to reach out to the Iranian population.

- In May 2003, the State Department added a Persian-language website to its list of foreign language websites, under the authority of the Bureau of International Information Programs. The website was announced as a source of information about the United States and its policy toward Iran.
- In February 14, 2011, the State Department began Persian-language Twitter feeds in an effort to connect better with Internet users in Iran.
- In part to augment U.S. public diplomacy, the State Department announced in April 2011 that a Persian-speaking U.S. diplomat based at the U.S. Consulate in Dubai would make regular appearances on Iranian media.

Since 2006, the State Department has been increasing the presence of Persian-speaking U.S. diplomats in U.S. diplomatic missions around Iran, in part to help identify and facilitate Iranian participate in U.S. democracy-promotion programs. The Iran unit at the U.S. consulate in Dubai has been enlarged significantly into a “regional presence” office, and “Iran-watcher” positions have been added to U.S. diplomatic facilities in Baku, Azerbaijan; Istanbul, Turkey; Frankfurt, Germany; London; and Ashkabad, Turkmenistan, all of which have large expatriate Iranian populations and/or proximity to Iran.<sup>65</sup> An “Office of Iran Affairs” has been formed at the State Department, and it is reportedly engaged in contacts with U.S.-based exile groups such as those discussed earlier.

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<sup>65</sup> Farah Stockman, “‘Long Struggle’ With Iran Seen Ahead,” *Boston Globe*, March 9, 2006.

### Opposition Group: People's Mojahedin Organization of Iran (MEK, PMOI)

The best-known exiled opposition group is the Mojahedin-e-Khalq Organization (MEK), also known as the People's Mojahedin Organization of Iran (PMOI). Secular and left-leaning, it was formed in the 1960s to try to overthrow the Shah of Iran and has been characterized by U.S. reports as attempting to blend several ideologies, including Marxism, feminism, and Islam, although the organization denies that it ever advocated Marxism. It allied with pro-Khomeini forces during the Islamic revolution and, according to State Department reports, supported the November 1979 takeover of the U.S. Embassy in Tehran. The group was driven into exile after it unsuccessfully rose up against the Khomeini regime in September 1981. It has been led for decades by spouses Maryam and Massoud Rajavi but in 2011 Ms. Zohreh Akhyani was elected as MEK Secretary-General. Maryam Rajavi is based in France but the whereabouts of Massoud Rajavi are unknown.

The State Department designated the PMOI as an FTO in October 1997—during the presidency of the relatively moderate Mohammad Khatemi. The NCR was named as an alias of the PMOI in October 1999, and in August 2003, the Department of the Treasury ordered the groups' offices in the United States closed. State Department reports on international terrorism for the years until 2011 asserted that the members of the organization were responsible for: the alleged killing of seven American military personnel and contract advisers to the former Shah during 1973-1976; bombings at U.S. government facilities in Tehran in 1972 as a protest of the visit to Iran of then-President Richard Nixon; and bombings of U.S. corporate offices in Iran to protest the visit of then Secretary of State Kissinger. The reports also listed as terrorism several attacks by the group against regime targets (including 1981 bombings that killed high ranking officials), attacks on Iranian government facilities, and attacks on Iranian security officials. However, the reports did not assert that any of these attacks purposely targeted civilians. The group's alliance with Saddam Hussein's regime in contributed to the designation, even though Saddam was a U.S. ally during 1980-90.

The PMOI challenged the FTO listing in the U.S. court system and, in June 2012, the Appeals Court gave the State Department until October 1, 2012, to decide on the FTO designation, without prescribing an outcome. On September 28, 2012, maintaining there had not been confirmed acts of PMOI terrorism for more than a decade and that it had cooperated on the Camp Ashraf issue (below), the group was removed from the FTO list as well as from the designation as a terrorism supporter under Executive Order 13224. However, State Department officials, in a background briefing that day, said "We do not see the [PMOI] as a viable or democratic opposition movement...." The NCR-I reopened its offices in Washington, DC, in April 2013. The State Department has been meeting with the MEK since its removal from the FTO list, including in Iraq.

#### Camp Ashraf Issue

The de-listing of the group has not resolved the situation of PMOI members in Iraq. U.S. forces attacked PMOI military installations in Iraq during Operation Iraqi Freedom (March 2003) and negotiated a ceasefire with PMOI elements in Iraq, according to which the approximately 3,400 PMOI members consolidated at Camp Ashraf, near the border with Iran. Its weaponry was placed in storage, guarded first by U.S. and now by Iraqi personnel. In July 2004, the United States granted the Ashraf detainees "protected persons" status under the 4<sup>th</sup> Geneva Convention, although that designation lapsed when Iraq resumed full sovereignty in June 2004. The Iraqi government's pledges to adhere to all international obligations with respect to the PMOI in Iraq has come into question on several occasions: on July 28, 2009, Iraq used force to overcome resident resistance to setting up a police post in the camp, killing 13 residents of the camp. On April 8, 2011, Iraq Security Forces killed 36 Ashraf residents; the State Department issued a statement attributing the deaths to the actions of Iraq and its military.

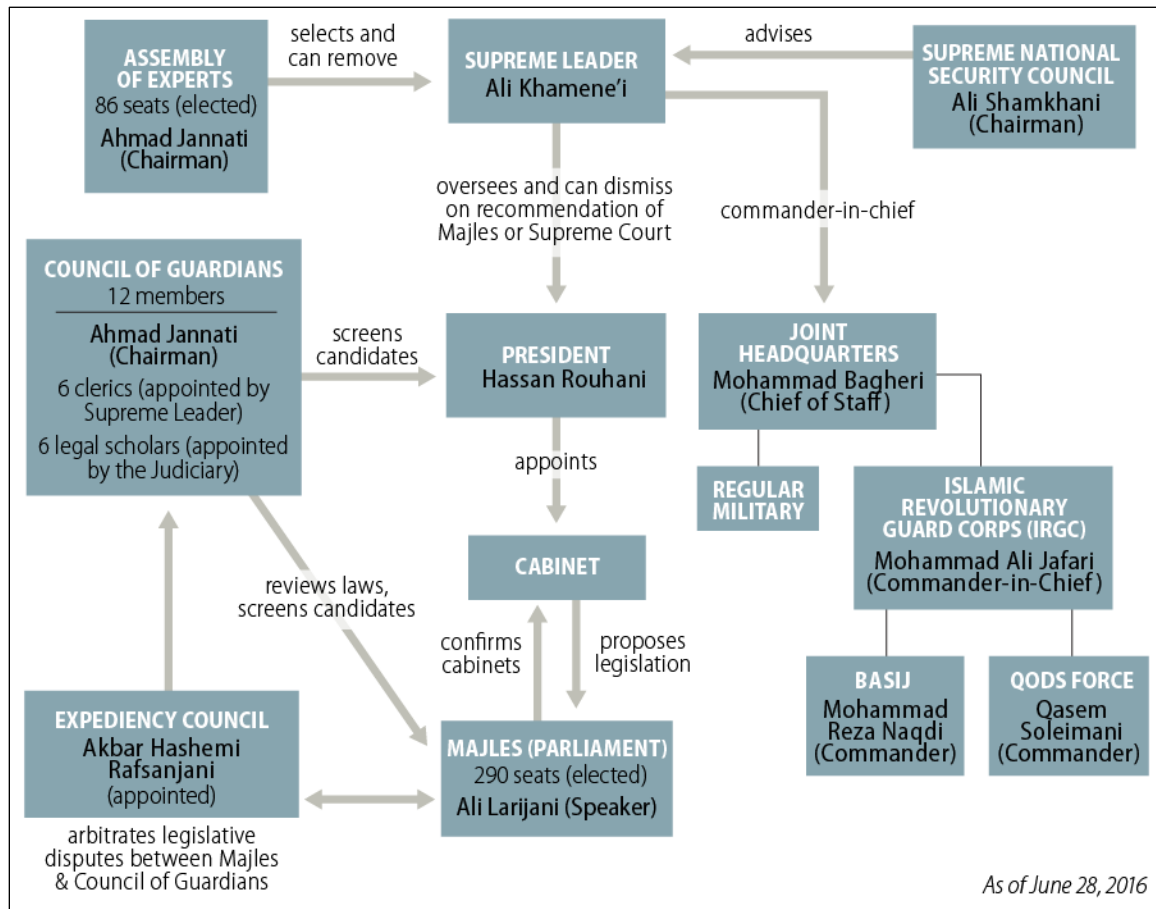
In December 2011, the Iraqi government and the United Nations agreed to relocate Ashraf residents to the former U.S. military base Camp Liberty, near Baghdad's main airport. The relocation was completed by September 17, 2012, leaving a residual group of 101 PMOI persons at Ashraf. The group asserted that conditions at Liberty are poor and the facility is unsafe. On February 9, 2013, the camp was attacked by rockets, killing eight PMOI members; the Shiite militia group Kata'ib Hezbollah (KAH) claimed responsibility. A rocket attack on the camp took place on June 15, 2013. On September 1, 2013, 52 of the residual Ashraf residents were killed by gunmen that appeared to have assistance from Iraqi forces. Seven went missing. All survivors of the attack were moved to Camp Liberty, and Ashraf has been taken over by Iran-backed Shiite militias. An October 29, 2015, rocket attack on the Camp killed 24 residents and a rocket attack on July 4, 2016, did not kill any residents, but wounded some. The FY2016 National Defense Authorization Act (P.L. 114-92) calls for "prompt and appropriate steps" to promote the protection of Camp residents.

Since 2011, the U.N. High Commission for Refugees (UNHCR) has sought to resettle PMOI members outside Iraq. About 600 have been resettled so far: 450 to Albania; 95 to Germany; 95 to Italy; 15 to Norway; and 2 to Finland. The United States reportedly might resettle 100 or more, but the U.S. requirement that those resettled disavow the group has apparently held up implementation of that program. About 200 have returned to Iran; a few of them reportedly have been imprisoned and/or mistreated.

**Sources:** Various press, and CRS conversations with NCR-I representatives and experts.



**Figure 2. Structure of the Iranian Government**



Source: CRS.

**Figure 3. Map of Iran**



**Source:** Map boundaries from Map Resources, 2005. Graphic: CRS.

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